

SEPTEMBER 12, 1931

The Weekly Magazine for MARKETING EXECUTIVES

**Standard Oil Firms
May Unite to Market
One Brand**

**Why Some Trade Asso-
ciations Fail, by E.
St. Elmo Lewis**

**How Kraft Merged
Four Brands Under a
New Name**

TWENTY CENTS

CUT CORNERS

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THE INTERNATIONAL SYSTEM

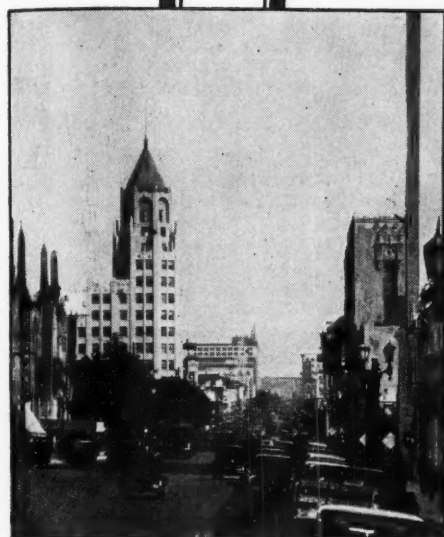
Postal Telegraph

Commercial
Cables



All America
Cables

Mackay Radio



HOLLYWOOD
BOULEVARD

More than 40% of all the Automobiles in California are in Los Angeles County

Motor registrations for California for the First Half of the year 1931 numbered 2,006,165. Of these, 821,937 (41%) were registered from Los Angeles county alone.

That means an average of about one and a half cars per family for the more than 500,000 families permanently living in this area.

The average standard of living in Los Angeles county is higher than in any other similar size market in the world. More than 2,000,000 people, nearly all able to buy « « « and accustomed to having « « « all of the necessities and most of the luxuries of life, make up this tremendously fertile market.

By far the largest daily newspaper in this area is the Los Angeles Evening Herald. A circulation of 232,578—more than 96% concentrated in Los Angeles and suburbs—provides the most powerful and economical advertising medium available in this field.

Naturally the Evening Herald has for years carried a far greater volume of advertising, both local and national, than any other daily newspaper in the entire West.

Any schedule designed to cover Los Angeles must begin with the

LOS ANGELES EVENING HERALD

REPRESENTED IN

NEW YORK	CHICAGO	DETROIT	SAN FRANCISCO
BY	BY	BY	BY
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Write for quotation.

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OPTICAL COMPANY

746 St. Paul St. Rochester, N. Y.

Survey of Surveys

BY WALTER MANN

The Farm Market for Radios

One of the interesting recent developments in radio is the new "air-cell type," which supersedes the old-fashioned battery set and eliminates much of the bother involved in the recharging of batteries, etc.

The development naturally interests the farm publications a lot—for a large part of that market is still without electric current of any kind. Hence the *Farm Journal* (Washington Square, Philadelphia) has worked out a neatly timed story of the value of its circulation for the sale of these new sets, in which certain facts on the farm market should be of definite interest to radio manufacturers.



Blank-Stoller, Inc.
Walter Mann

Farm people, they have found, prefer sets of six tubes or more. Sensitivity is highly important, especially for daylight reception. Better quality (of performance or of program?) and ease of operation are also important factors. Corroborating *Household Magazine's* recent survey (S. O. S. July 18) they find the woman to be the most frequent listener, and, ergo, a highly important factor in the selection of a set.

The electrical store gets 26.4 per cent of the radio business done by farmers; department stores get 9.7 per cent; radio stores 9.3 per cent; hardware stores 8.1 per cent; garages 6.2 per cent; music stores 3.5 per cent. The other 36.8 per cent are from miscellaneous sources not listed.

Of farm radios, 19.1 per cent are bought in towns under 1,000 population; 12.8 per cent in towns of 1,000-2,500; 14.4 per cent 2,500-5,000, and 12.2 per cent 5,000-10,000, etc. From this it will be seen that about half of the radio sets bought by farmers are purchased in the cities of 10,000 or over—proof again that the average farmer gets what he wants—even if they can't buy it in the nearby small towns.

October, November, December, January and February are the months in which the farmer buys radios. Obviously when they can't fish and they can't farm, they can sit down and listen to the radio. Seventy-three and a half per cent of all radio sets are sold to farmers in these months and (boon of boons) 95.5 per cent of the farmers who buy radios pay cash for them!

Next come some general figures on the farmers' purchasing power, some discussion on how to reach the farmer with advertising and some facts about *Farm Journal*. An interesting presentation. Get your copy direct from Philadelphia.

Allentown, Pennsylvania, Standard Survey

The A. N. P. A., Allentown, Pennsylvania, standard market survey form stands out from other such survey forms by the pale pink hue of the stock on which it is printed. It gives the facts on "a busy city in a prosperous, thickly settled valley," plus an area which contains about seventy-five cities and towns from Albright's to Zionsville. On the inside pages we find the usual data on population for the town and for the trade area, the number of apartments and dwellings, the number of other buildings, the number of owned and rented homes, the number of families with phones (how about letting us know the total number of families?), the number owning cars, using gas and electric lights, the volume of bank deposits, of savings deposits and of income tax returns, the number of manufacturing establishments, the number employed, the annual value added to raw materials by manufacture, the monthly payroll, the value of agricultural products and the usual descriptive material on climate, schools, parks, shopping days, labor conditions, churches, theatres, railroads, principal industries, light and power, gas, etc., plus a brief description of the standards of living and the numbers of various kinds of retail establishments in the city and in the trade territory.

When we see a job of this kind done by a city of Allentown's size, and recall the heterogeneous collection of haphazard facts which were usually available before the Standard Form was inaugurated, we send out a paean of praise to the A. N. P. A. for a good job well done—in the interests of saner media judgment. And the *Allentown Call* (a morning call at that) deserves its share of the praise, for the good job it has done in this report.

By the way, a house-to-house survey of the newspaper readers in the city of Allentown made about a year ago showed the *Call* as read by 3,364 families (84 per cent of the 4,020 families interviewed), 2,162 of whom read it exclusively. A small bombshell in the camps of those advertisers who buy Philadelphia and New York papers under the impression that they get Allentown coverage thereby.

There are 21,000 families in Allentown—says a recent report—and 18,818 daily (18,920 Sunday) readers of the *Call* out of a total daily circulation of 40,161 (and a Sunday circulation of 30,383). Thus does the *Call* call the out-of-town newspapers' alleged claims of Allentown coverage.

Thumbnail Reviews

Operating Results of Department and Specialty Stores in 1930. A study of margins, expenses and profits of department and specialty stores in 1930 made from reports covering more than 800 stores. Harvard University, Soldiers Field, Boston. Forty-seven pages. Not for general free distribution.

What's New

Q Kraft-Phenix Cheese faced a unique problem when they bought four established brands of mayonnaise selling in four different sections of the country and merged them under their own name. How they solved this problem and how they merchandised the one brand evolved is told in an interview with John H. Kraft, vice-president in charge of sales. Page 380.

Q James H. Warburton, sales manager of the Marietta Chair Company, recently had a heart-to-heart talk with his men about their giving the management some real cooperation in the way of renewed fighting spirit in meeting the problems of the immediate future. How he put it up to them is told on page 382.

Q The Standard Oil units may unite to promote one brand nationally. Page 390.

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Sales Letters

BY MAXWELL DROKE

New Sales Letters Book

Over at St. Louis there is a unique organization that I have been keeping an eye on for some time. It is known as The Six O'Clock Club, "Where men who write letters get together." Each Wednesday evening at six o'clock the members, all of whom are interested in some phase of modern correspondence, get together at a local hostelry and listen to a local or imported authority discuss the business of writing business letters. This is no ordinary, skimpy, twenty-minute "hit-the-high-spots" talk. The



Maxwell Droke

speaker, if I recall correctly, is granted an hour and a half for his message, and there is a liberal allotment of time for questions and answers. The brass tacks are brought out, polished up and driven with great gusto. For the past year, or perhaps longer, the club has been keeping stenographic records of these weekly meetings. And some time ago H. L. Gerding, the energetic secretary, conceived the notion of gathering together a number of these talks, and publishing them in book form. The book, "There is This about Letters," has just come from the press, and I have a copy before me as I write. It is an uncommonly attractive volume and contains much that is helpful and inspiring to those who are engaged in producing business letters. And who isn't, these days? This 272-page book is made doubly valuable through the inclusion, in each case, of those always-helpful questions and answers engendered by the discussion. Copies of the book are available, I am told, through the secretary, H. L. Gerding, 375 North Boyle Street, St. Louis, Missouri, at the modest price of \$3.00 per copy.

Sock to Calamity Crooners

More and more we are learning that the real achievements in this topsy-turvy year of 1931 are being made by those who have the courage and resourcefulness to develop new methods and pioneer new markets. Never was there a time when the highways of convention were so crowded, and the narrow lanes that lead to prestige and to profits so neglected. With Calamity Crooners singing the blues on every street corner, it does my old heart good to learn of someone who has stepped out and made some money through hard work, common sense and ingenuity. That's why I applaud this letter which W. H. Shaffer, Jr., dealer sales manager of the National Steel Fabric Company, has written to the merchants who handle Steeltex:

"I would like to have the opportunity of handling this new dealer price list to you personally, and to each of the 12,243 dealers throughout the United States,

whom we like to call our friends. I would probably have bragged a little about our dealer accounts where Steeltex was the only item that showed an increase and a profit for the fiscal year ending July 1.

"By spending nights on trains, rather than in a real bed, I have had the opportunity of working with dealers in almost every state since the first of the year. In spite of what all the calamity howlers say, lumber and building supply dealers who go after business are getting it, and are making themselves more of a necessary sales outlet for manufacturers than ever before.

"We had a hunch about a year ago that house building in many sections would slow up, due to reduced earning power of many, and we started laying out plans to go after schools, hospitals, government and other public work, realizing that live politicians would put tax money into much needed public work. Our hunch worked out pretty well and in those towns where we were able to get dealers to cooperate we found business good. At the end of our fiscal year, July 1, our Steeltex business was better than last year, and everybody was happy. . . ."

"Page Mr. Volstead"

Speaking of optimists, we must inevitably include Miss Margaret Winter, who markets liquor-flavored jellies. "The special liquor flavors which I am using in my jellies," explains Miss Winter, "are not easily obtainable, but I hope to be able to continue filling all orders promptly." A letter from the estimable lady bears the intriguing caption, "Page Mr. Volstead!" and offers four attractively titled specialties, namely and to wit: "Taste-o-Brandy," "Taste-o-Gin," "Taste-o-Bourbon" and "Taste-o-Vermouth." My compliments and best wishes to Miss Winter—with the hope that she is not riding for a fall!

Attempt at Deception

"Don't you think," writes an executive of the Packard Motor Car Company, "that the attached postcard is a bit tricky?" The enclosure in question is issued by a publishing house of high repute, and I am confident that there is no deliberate intent to deceive. But it is another instance which goes to prove the danger of cutting capers with an order form. I have repeatedly pointed out that such forms must state your proposition clearly and simply, with no attempt at evasion, no possibility of misunderstanding.

In this instance, the card reads: "Yes—I'll be glad to get a copy of the Fifteenth Anniversary Number of ——— with your compliments." Then follows a paragraph, "You may enter my subscription for the next year starting with the current issue. I'll send you a check for the subscription fee of \$3.00 when I receive your bill."

Leaving aside the question of whether a hurried reader may sign this card without realizing that he is definitely obligating himself, it is evident, from my correspond-

ent's reaction, that some persons may represent what they believe to be an attempt at deception. At any rate, interest has been gained under false pretenses, and that is always a dangerous practice. Often it leads to a relapse, which precludes any possibility of purchase. In the old days, to be sure, such subterfuges were accepted commonplaces. But I feel that we should discard them in this enlightened time. Don't you?

What Not to Do

One of my correspondents, in a great pothole, sends me this communication by air mail. "How," he asks, "does this drivell strike you?" Well, it strikes me as such a splendid example of what not to do that I cannot forbear sharing it with you. So here goes. Sad to relate, this is written upon the letterhead of one of our foremost firms of consulting engineers: "Dear Sir:

"There is a tide in the affairs of men, which, taken at the flood, leads on to fortune! Omitted, all the voyage of their life is bound in shallows and in miseries. On such a full sea are we now afloat; and we must take the current when it serves, or lose our ventures."—Julius Caesar, Act IV, Scene 3.

"Thus, from within his tent in the camp near Sardis, spoke Brutus, half addressing Cassius, half ruminating on the consequences of delayed action. He knew that his legions were ready; that hostile territory lay to the rear; that his cause was 'ripe,' and that 'the enemy increaseth every day.'

"It was evident that the pendulum at the end of a long swing in the turn of events was only momentarily at rest. It was inexorably certain that the situation was about to undergo change. Should he move to act, or await to be acted upon; that was the question.

"Now this was warfare. But for that day and age, and for some fifteen centuries thereafter, war remained the most dependably good and perennially thriving business of all Europe. It was the normal condition of life. From a more extended point of view, therefore, the mental processes of Brutus in surveyal of his position may be said to bear a certain analogy to the situation with which contemporaneous industrial executives are faced. . . ."

There is more—much more—but I will forbear to quote those portions which have to do with "the present-day business entrepreneur." My cousin Charley once went to hear a profound and rather prosy bishop preach to a neighboring congregation. "And what," asked Mother, "was the sermon about?" "I don't know," answered Charley, "he didn't say."

Directs Scholl Advertising

CHICAGO—R. G. Perkins, for ten years with the *Boot and Shoe Recorder*, Chicago office, has been appointed advertising manager of Scholl Manufacturing Company, Inc., here, maker of Dr. Scholl's foot appliances.

Significant Trends

As seen by the editors of Sales Management for the week ending September 12, 1931:

• • • From trade centers come reports that are rather surprisingly optimistic in tone but unburdened with showing of great gains in dollar sales. However, smaller receipts are often accompanied by a larger sum of transactions involving increased quantity of goods disposed of. At wholesale there is a good degree of activity and promise of still more in the immediate future.

• • • The gap between bank debits against individual accounts this year and last year is closing up. Last week the difference was only 16 per cent, even including New York, which had a loss of 18.6 per cent. But we were far in the dumps at this time last year.

• • • The hoped-for revival in steel this month is still awaited. The only sign of it so far is a slight advance in heavy scrap. A little gain would go a long way to help many of the steel companies which have cut their costs so much that less than half-capacity would keep them going profitably.

• • • Steel ingot production in August dropped to an average of 31.13 per cent of capacity, compared with 34.15 per cent in July and 58.8 per cent in August, 1930.

• • • The average commodity price was unchanged this week, the Irving Fisher index number remaining at 68.9, the same as the week before.

• • • "Current business conditions offer just the kind of foundation upon which to erect another period of prosperity," says Professor R. B. Wilson of Babson's statistics. Shrewd business men see the opportunities, he adds; others, blinded by pessimism, are allowing extraordinary money-making possibilities to pass by.

• • • Temporary wage reductions of from 30 to 50 per cent were recommended this week by the American Federation of Full-Fashioned Hosiery Workers assembled in emergency convention. The action, affecting 20,000 workers, is intended to influence the non-union men.

• • • The sales tax bill introduced at the special session of the New York state legislature has started organized opposition among retailers. The proposed tax is 5 per cent, which is regarded as absurdly high. But it's the sales tax in principle that the retailers are preparing to fight.

• • • Cash and carry grocery men won all the major prizes in the recent sales contest of the Independent Grocers' Alliance. The independents seem to be stealing more and more of the chain boys' thunder.

• • • National Electric Products (Phelps Dodge subsidiary) is introducing a non-burning rubber-covered copper wire under the name "Fire Stop"—said to be the only basic improvement for many years in the building wire output.

• • • Wayne County automobile registration figures for August show 847 Plymouth cars compared with 550

Fords and 507 Chevrolets. Plymouths were down thirty-two compared with August, 1930, while Fords were forty-eight off and Chevrolets forty. A straw which may show how some of the wind is blowing in the low-price car field.

• • • General Motors August sales to consumers as well as to dealers were below those of August the year before, 18.6 and 17 per cent, respectively. In the preceding three months sales were larger this year than last year.

• • • A bill designed to eliminate criminal proceedings against trade groups which enter into specific agreements will be presented to the American Bar Association at the annual meeting of that body next month. The bill authorized the Federal Trade Commission to pass on such agreements in advance.

• • • The findings of the Harvard Bureau of Business Research that chain grocery distribution is less expensive than independent store distribution is questioned by Dr. Paul H. Nystrom, professor of marketing in Columbia University, New York. He objects to statements of conclusions after admission that the premises are inadequate. He suggests the need of adapting cost accounting to lines and items.

• • • Chain store sales were on the whole further down this month, as compared with August, 1930, than has been the case in recent months. The extremely muggy weather which afflicted most of the country this August may have had something to do with this unfavorable showing.

• • • At least one popular concomitant of the new season begins auspiciously—oysters—which are reported to be abundant and good. But the dealers are talking of keeping prices up to compensate them for losses inflicted last year by oyster marauders.

• • • Once a messenger boy, William A. Irvin at the age of forty-six has been made vice-president in charge of manufacturing operations of U. S. Steel. The seats of the mighty, it would seem, are still open to the humblest youth.

• • • The seventieth anniversary of the first trans-continental telegraph service in this country will be celebrated next month—a significant reminder of how much of our physical integration as a nation has been accomplished in comparatively few years.

• • • The National Coffee Roasters' Association has been promoting new members so rapidly recently that an increase of 20 per cent is now reported. This is in anticipation of the \$1,000,000 advertising campaign in behalf of more coffee drinking.

• • • Coffee consumption in this country during July and August was 1,651,852 bags, 3.4 per cent more than in the same period last year.

E. St. Elmo Lewis has had twenty-five years of practical and first hand experience in the application of economics to business. He has been vice-president and general manager of the Art Metal Construction Company, advertising manager of the National Cash Register Company and of the Burroughs Adding Machine Company; he organized the Association of Steel Furniture Manufacturers and was its first president; he headed the committee on waste in distribution of the Society of Industrial Engineers; since 1923 has been a visiting lecturer in merchandising, sales and advertising at the Wharton School, University of Pennsylvania.



Underwood & Underwood

Why Some Trade Associations Fail

BY E. ST. ELMO LEWIS

DURING the past five years I have contacted with some 250 trade associations, in almost every phase of their activity except the legal.

Since 1929 I have seen associations come and go, dry up, pass out; others work along "holding their own," which means slipping backward in the race, and others flourish, develop and become stronger as problems grow, multiply and dominate even in these days.

In the last two years trade associations have had to answer the question: *What is the net result of your activity?* I have gone to some meetings where 75 per cent of the membership were present, at others 10 per cent. This attendance at meetings was symptomatic of the inherent value of the association in the minds of its membership.

I do not think anything is so definitely a measure of a trade association's real worth as the attendance at conventions, and I don't know of anything that so definitely fixes the attendance as the convention program.

Programs are changing. They are becoming more realistic—i.e., they are more and more concentrating their attention on the business problems of the individual members of the industry. They are getting away from leg

shows, golf games, entertainments, trips and sight-seeing.

A few trade organizations are still attended by those who look upon the annual convention as an opportunity to take a summer vacation trip with Ma. When Ma goes along you can rest assured that there is going to be more sight-seeing, entertainment, free lunches, etc., than if Pa went by himself. Business always suffers.

This may seem ungallant—nevertheless it is true.

Associations that have the least trouble with their dues and turnover in membership are the ones that make their annual conventions business conferences.

I remember a convention where \$9 a head was spent on entertainment and eighty-nine cents on the business program. There were less than fifty people at the business sessions and over 500 at the entertainment features. The secretary boasted to me about the 500 at the leg show—"The biggest convention they ever had." I asked him how many real members of his group were there and his statistics took on a new significance. Less than one-fifth of the 500 were real, genuine, helpful members of the associa-

tion. The rest were salesmen, manufacturers' professional glad-handers, wholesalers' back-slappers. At one building supply convention of retailers there were six outsiders for every delegate! This produced a row.

When I asked a retailer from a distant city what he thought of his convention, he made this remark: "I have had enough. No more conventions for me. It cost me over \$400 to attend this convention. I could get a better show and could play golf on just as good a course at home for nothing. I came here to get some business ideas, some advice and help. About the only thing I will take home is a headache."

That is not exceptional. I have heard it scores of times and it reflects the matured opinion of hundreds of American business men with respect to their trade association conventions.

Think of the retailers of a certain midwest city raising a fund of \$2,700 to entertain nineteen delegates; and those of another city that can spend \$25,000 on its annual dinner in a certain industry when its representative organization has not been able to raise \$5,000 for a program of business activities. There is something lacking.

Among industries this is nothing strange or unusual, but it just shows a lack of leadership, a lack of realistic approach to the problems that are confronting American business, and a "pollyanna" attitude towards bad times that makes one realize that we should not be surprised at depressions.

But contrast this picture with the results obtained by some of the foremost trade organizations in the country. Consider the remarkable work of the National Retail Hardware Association that four years ago formulated a plan of activities. First, they spent a year to find out what was the matter with the American retail hardware dealer, by going into *his* store, analyzing *his* failures, *his* difficulties, *his* ability as a merchant and the physical set-up of his establishment; then went with the fact report to the next convention.

In the second year they educated that retailer how to study his community, to find out what it wanted, how to coordinate the store's ability with the community needs and wants. At the second year's convention a fact report on that subject, giving a thorough analysis of the whole picture, sparing nothing, was presented.

Sought Cooperation

Then, in the third year, they wrestled with the problem of cooperating with the manufacturer, wholesaler and jobber to coordinate the whole distribution machine in view of the community's wants and the local retail unit's efficiency.

During the fourth year's convention, which has just been held in Cleveland, another fact report was presented and a new and realistic program set up for the "Master Hardware Retailer" who is described as "one who adheres to such standards in policies, practices, physical property and personal character as will erect a business structure providing the highest type of public service, trade advancement and individual progress." That is their definition of the "Master Hardware Retailer."

Contrary to the usual procedure in such matters, these generalities are not merely rhetorical gestures, but over a period of four years the Retail Hardware Association has been gathering facts, experiences, analyzing them, interpreting them and formulating the findings into standards, policies and practices, getting facts and figures, putting them in published reports and making an annual appraisal of retail performance. They have determined what are the fundamental requirements and get at the net value of

operating policies. They have found out what are the most suitable store fronts for various sizes of business. They have determined the set-up of adequate records. They have analyzed the whole problem of window displays and effective interior displays. They have analyzed the problem of store equipment and formulated standards by which dealers may be guided. They have studied the whole problem of merchandising with respect to the buying public. They have given the re-

Do You Want County and Small City Retail Sales Figures?

What seem like unwarranted delays in the publication of the Retail Census of Distribution figures, together with information which indicates that sales breakdowns of cities down to 1,000 population may never be published at all, has led SALES MANAGEMENT to make a special effort to show the census office at Washington the vital need for this information on the part of sales and advertising executives. (See page 345, September 5 SM.)

The data gathered two years ago are already older than they should be from the standpoint of their value to marketing men. Many sales and advertising programs are being held up pending release of the county and small city figures which sales executives have been confident would be forthcoming early this fall. If any of these figures are not released, or if they are hopelessly delayed in any way, either by a move for economy in the census department, or by a jam in the government printing office, we believe the cost to business will be incalculable.

If you want these figures as much as we think you do, won't you write a letter to the editor of SALES MANAGEMENT, expressing your need? The address is 420 Lexington Avenue, New York. Write today, please. Every week's time is valuable.

tailer a measuring stick for intelligent buying through merchandise control, of selected merchandise sources. They have made a study of selecting, training and compensating employees as a basis for aggressive sales promotion and sales planning. They have not been neglectful of the personal problem of the retailer himself. They have not hesitated to criticize him, and their criticisms, based upon facts, are

accepted. They have not permitted the retailer to think that his problems are insoluble and entirely due to the wholesaler, manufacturer, chain store and department store. They have taken his problem right to the retailer himself and made him face it.

Their conventions have been three- or four-day affairs where the organization has audited the performances of their officers, and faced the net results of their own operations as a branch of business. Programs have been made up of subjects that reflected the every-day activities of the retailer. Experts and specialists came to conventions to discuss the particular, definite problems about which they knew something of importance. Dealers have not been asked to listen to the professional convention gladiator, abstract talks or emotional appeals, for they have gone there to concentrate their minds on the problem of getting in tune with fundamentally sound policies, principles and performances.

Another organization that is operating on a similar basis is the National Retail Dry Goods Association. There we see the same realistic approach to the problem of the individual member. All one has to do is to look at the convention program of the N. R. D. G. A. to realize that its convention is called for business and that members attend for business.

Analysis of Programs

In making an analysis of the programs of a number of organizations I found that:

70 per cent of time was spent on discussing definite problems of the industry;

5 per cent for introductions, felicitations, etc.;

10 per cent for entertainment;

15 per cent for general subjects—handling of general business conditions, etc.

Most of the associations that have the best meetings from the standpoint of practical value do not have any local reception or entertainment committees. The great difficulty with such committees is that they feel they must show their hospitality by interfering with the convention. How many times have discussions been cut short by the presiding officer saying, "I am sorry to have this discussion shortened, but the local committee has arranged for us to take busses at this time at the Market Street entrance, where the members will be taken to the Slippery Tee Golf Club for luncheon. Please be back at two o'clock sharp." Half do not return at all.

(Continued on page 401)

How Kraft Merged Four Established Brands Under a New Name

Based on an interview by Lester Colby with

JOHN H. KRAFT

Vice-president in Charge of Sales, Kraft-Phenix Cheese Corporation, Chicago

Cheese loomed as a large factor in J. L. Kraft's life at a very early age, and it was perhaps because his bread and butter depended upon how quickly he learned to cut a cheese with nicety and precision that he began to give it so much thought. It was his job, as a grocery clerk in Fort Erie, Canada, to carve a huge chunk of cheese from the cheese box, place it on a wooden slab, and then hope the slice he cut met with the customer's requirements. Whether he rated a raise depended entirely upon how little cheese he wasted for his boss. Through his experience there he hit upon the idea of putting the cheese in packages. The uniformity of size saved him from the slicing hazard and the sealed packages discouraged farmer-customers from filching. Buffalo was the site of his first factory, at the beginning of this century. Then young Kraft betook himself to Chicago, set himself up in the cheese business in the basement of his rooming house and vended his product from a wagon from store to store. Once his hard-working mare lay down and died, and he had a sorry struggle scraping together enough for another horse.

By 1910 he had bought out the Perfection Cheese Company of Detroit. In 1913 Kraft absorbed the Beechnut Packing Company cheese business in New York. Followed a flurry of lesser mergers, and a change of name to Kraft-Phenix. The company now does the largest cheese business in the world.

KRAFT-PHENIX Cheese Corporation reports that its business for 1931 is expected to be ahead of 1930. That year was a record-breaking year for this important unit of National Dairy Products Corporation. In other words, Kraft-Phenix has done a more profitable business since the depression started than ever before.

J. H. Kraft, vice-president in charge of sales and son of the founder of the company, was asked by SALES MANAGEMENT to tell how this had been accomplished in a time when most businesses were in trouble.

"In recent months we have made exhaustive studies of the buying habits of the public," he answered. "We have developed and patented display racks and display tables which have increased the sales of our goods in individual stores up to 200 per cent.

"We have methodically extended our distribution until now more than 3,000 standardized Kraft trucks, each painted with our easily recognized gingham markings, are on the streets and highways every day giving service to dealers in Kraft products.

"We continued to advertise vigorously in newspapers, magazines, radio



and otherwise. More than \$10,000,000 invested in advertising in ten years has, of course, had a cumulative effect. This year we are putting more money into advertising than in any one previous year. Our appropriation for 1932, probably, will be at least equal to that of 1931.

"And in the last year we have changed over to the Kraft package and Kraft label four acquired brands of mayonnaise. While doing this job we have increased the sale of the product—and there's a story for you!"

This is the story he told—

Three years ago the Kraft-Phenix company decided to round out its line of products with the addition of mayonnaise. Wright's mayonnaise, a leading seller throughout the central west, was acquired. Then Easton, famous in the east; Gelfand, celebrated in the east and southeast and, finally, Henard, widely and favorably known in the south and southeast.

Each was a front line seller in its territory. In no instance was overlapping a serious trade problem. But each was a local brand.

The problem that presented itself was how to combine them, without loss of prestige, good-will and demand, into a single recognized brand. And under what name? The name, of course, was no problem. Kraft's Mayonnaise, it had to be. There was no thought of any other. Too many millions of dollars had been spent building up Kraft to even think of anything else.

Milwaukee and South Bend were chosen as test cities; laboratories for working out the plan. The first step



At the left: "Island displays," Kraft has found, move goods faster than shelf displays. Below: Tests have shown that one of the best "selling spots" in a retail grocery store is near the fruit and vegetable department.

was to reproduce the original Wright label with the Kraft trade-mark and the words "Kitchen Fresh" added to it. Minor changes were also made in other wording on the label.

After a few weeks another step was taken. The familiar gingham background that marks Kraft mayonnaise products was added. Otherwise the label remained practically the same except that "Kraft" appeared boldly with under it the words, "Formerly Wright's" shown in diminished size. The public was given time to accept this change.

Then came the third and final step. All trace of the old Wright label vanished. The new Kraft label was substituted in its entirety. The metamorphosis of the label was complete and the product became Kraft "Kitchen Fresh" Mayonnaise.

When the plan was put into motion there were some in the organization who predicted that it would take a year to do the job and that even then losses in sales volume would have to be accepted. To the surprise of these the task was done in six months and to their greater amazement it was found, in later tests, that the entire switch could be speeded up to sixty days. The expected loss of volume did not show up at any stage of the transaction.

In fact—

During the period of label-switching, which of course was accompanied by vigorous advertising, sales were actually *trebled* in both Milwaukee and South Bend. Freshness of product, it might be pointed out in this connection,



tion, was emphasized in all advertising copy. Lines such as these were steadily repeated:

"Fresh as that made in your own kitchen.

"Fresh from Kraft kitchens.

"Fresh to your grocer."

The story of the fast service delivery system by which the grocer is always

kept supplied with fresh Kraft products was told over and over again. The magic of the Kraft name, which housewives everywhere had come to know and accept as standard of quality, won.

Kraft was as readily acceptable on mayonnaise as on cheese. The name
(Continued on page 401)

Marietta's Record:

1. Sales for first six months of 1931 were 29.5 per cent ahead of 1930.
2. Not one salesman has been laid off.
3. Only the usual two weeks' vacation was given.
4. No cuts in compensation were made.

How One Sales Executive Is Putting Fight Into the Hearts of His Men

SALES executives who are supplying a vigorous intelligent type of leadership to the men in the field are being richly rewarded. The companies thus generalised are selling rings around competition. They are getting orders from sources never before tapped. They are, in a few cases, even setting boom-time sales and profits records.

Without a fountainhead of courage in the home office, without close executive contact and constant helpful direction from the top, no force of salesmen in the world will come through times like the present without losing heart. Wherever you find a courageous salesman these days, you can find behind him a sales manager or a president (or both) who is drawing on every resource at his command to keep his men in a positive, offensive frame of mind.

One concern that has come through the depression with an unusually creditable record is the Marietta Chair Company of Marietta, Ohio. For the first six months of 1931 sales were 29.5 per cent ahead of the same period in 1930. No salesmen have been laid off and compensation has not been reduced in any way.

The attitude of the management has consistently been optimistic and aggressive. The company has driven straight ahead, under the sales leadership of James H. Warburton.

Having demonstrated conclusively that its attitude and policy were sound and designed to bring the maximum benefit both to the salesmen and to the company, Mr. Warburton last

BY A. R. HAHN

Managing Editor, Sales Management

week appealed to his men to meet the management half-way in their pursuit of business during the coming winter months.

Because he has expressed some thoughts which could well be used, almost in their entirety, by heads of concerns in other lines, we are repeating here the message Mr. Warburton drafted to the men who represent his company in the field:

"Suppose We Said: 'What's the Use?'

"Have you made mental note of the fact that at no time since the stock market crash in 1929 has Marietta even intimated the mental attitude that there was no use driving straight ahead? Have you read or heard one pessimistic message—of the let's let down or give up sort—from the home office? Haven't we urged, week in and week out, to keep a-going?

"Has it ever occurred to you what would surely have happened if we had listened to some of the tales of woe and quite discouraging reports, statements and predictions that have come from some of you outside men? Where would you and some of the rest of us be now, if we had said: 'No doubt those fellows are right—they are out where they should know the true conditions. There's no use trying to buck the resistance; there isn't enough business available to fight for; we'll just shut up shop; lay 'em all off until good times return.' Suppose

we had said: 'Oh, what's the use?'

"And suppose we had said to you road men: 'There isn't any use of your traveling but if you care to go out we'll arrange to fill any orders you might send in.' How much—or little—would you have sold? You wouldn't have had the heart to go on a single trip, would you? As it is you've held your jobs right through the two years in spite of conditions and a. . . that you've said to us that was discouraging and calculated to unsell us on the course which was adopted.

"Are you glad that we chose the way—instead of being persuaded by others; perhaps by some of the things you, yourself, said and the way you felt. When we urged you to go on and dig in for all you were worth, didn't you feel some resentment toward us? Didn't you sort of feel that we were a bit coo-coo and if you had us out there you'd show us there weren't the orders we claimed there were? Maybe you said: 'What d' they think I am, anyway? I know what's what in my territory and I know there's no business and no use breaking my neck for nothing.'

"Did you or did you not feel that way? Weren't you kinda sore at us for 'cracking the whip over you' as one of the best Mariettians we know termed it? But, now, are you or are you not glad we did just that? Can't you see what we were after and why? The plain, straight fact is, we had to do it that way in order to come through as we have and to provide you and others with jobs and pay checks. There was no alternative.



A little of the old-fashioned fighting spirit among salesmen will do more for business during the next few months than anything else, the Marietta Chair Company told its men last week. They put it up squarely to each man, asking a fuller measure of cooperation with a management that has already demonstrated unusual courage.

"Has this thought ever filtered through your mind: Why should it be expected of management, any more than wage, salary or commission workers, that it should supply all of the optimism, driving force and go-ahead signals? Why shouldn't we, on the receiving end of the pay check, say to management: 'We don't expect everything of you—come on, give us the chance to show you that there is business and we can get it for you. Times are better and are gonna be still better, for we're working, thinking and boosting to make 'em that way.'"

"It's time management, that is, the kind of management that has kept its ducks in a row, its head clear and the doors open for business as usual, got a better break from those who have benefitted. In many cases such management has dug into reserve or capital to keep the green light burning. Those who ran to cover early or have 'taken the count' since can never be given any of the credit for contribut-

ing one kilowatt toward regenerating the recovery—only those who have come through and are going on deserve the medal for bravery, stamina and strategy.

"But to complete the job, it's going to take more than standing on the sidelines cheering. We must get into the thick of the fight with our leaders and backers and help 'em put it over. Words of encouragement, from the 'willing workers'—instead of moans, groans, alibis, complaints and arguments as to why it can't be done—help a lot. Words that say: 'Let's keep a-going, Boss, because we believe tomorrow's going to be better; the next day still better and on and on and we have what it takes to back you up,' are the kind that management would like to hear these days—and especially from men on the firing line. And why isn't management entitled to this brand of support? Would an army ever have won a battle if the men at the front had persisted in send-

ing word back to headquarters that the enemy, from all appearances, had the edge on them?

"When management hears the words 'We Will Win' coming from all quarters it will begin to get that better break to which it is entitled for all it has put out during a trying time. It has, for a fact, been too one-sided up to now. When it doesn't have to supply all of the leadership, steam, plans, optimism, encouragement and then dig up the cash to foot the bills, it will feel like the military staff that directs an army filled with that old fighting spirit that wins.

"Let's give management a better break from now on—not only in words but action that gets results. If for no other reason, let's do it out of consideration for the pay checks we hope to receive the balance of this year, next year and on into the future. No one can expect management to carry more than its fair share of the load for long."



A number of leading concerns in the grocery field are successfully expanding through wholesaling their own products by truck distribution. Best Foods, Inc., is one of these.

ANOTHER type of controlled outlet is what, for a better term, we might call the "wholesale outlet." An example of the kind of outlet I have in mind are the supply houses of the Westinghouse Electric & Manufacturing Company and the General Electric Company. Westinghouse has about sixty such wholesale units and G. E. close to 100.

Both these manufacturers have very large lines—extended enough to constitute in themselves a jobber's stock of sizable proportions. It is difficult to get an independent jobber to carry such an immense line, and even though he did carry it, it would be almost impossible to induce him to push it properly. For this reason alone the controlled wholesale house is probably a necessity for a manufacturer of the size of Westinghouse and General Electric.

Another reason for them is that

*This part of Mr. Murphy's discussion is being presented in three parts. Part 1 appeared in last week's SALES MANAGEMENT; Part 3 will appear next week.

What Is a Sound Expansion Policy?

No. 7. Expansion through Controlled Retail Outlets*

The second part of an article

BY JOHN ALLEN MURPHY

these companies must keep their products within almost immediate reach of every part of the country. This means that stock must be carried everywhere and an organization maintained for servicing the line. This can only be accomplished adequately through controlled wholesale distribution.

The General Theatres Equipment, Inc., is another company that has an investment in a distributing company. It controls the National Theatre Supply Company, which maintains a chain of theatrical supply houses. This concern handles everything used in a theatre from maintenance

material to equipment. Much of the stuff thus distributed is made by General Theatres Equipment. For instance, the International Projector Corporation is owned by it. Most of the projectors used in the theatres of the United States are of this make. Equipment of this sort requires a lot of servicing. To render good service, a nation-wide set-up is required.

The General Foods Corporation has been investing in distribution, particularly since it got into the frozen food business. It made a step in this direction when it acquired an interest in Batchelder & Snyder Company, Arthur E. Door & Company and William A. Doe, well-known Boston wholesale packing and food distribution concerns. These houses have been combined under the name of Batchelder, Snyder, Door & Doe. In a sense, General Foods bought into distribution when they purchased Richard Hellman, Inc. To distribute its mayonnaise, this company had to have a wagon jobbing system. General Foods took over this system, and added to the lines it carried.

Standard Brands also went in for controlled wholesaling when Fleischmann's Yeast became a unit in this consolidation. Fleischmann's, through its extensive delivery set-up, had an almost perfect method of wholesaling its product. This set-up became a great asset to Standard Brands.

Much the same sort of advantages resulted when Kraft-Phenix Cheese Corporation tied up with National Dairy Products Corporation. In fact, investment in wagon jobbing has become a favorite method of expansion among food manufacturers.

Producers frequently assure the distribution of a portion of their output by making deals with large retailers. Usually the manufacturer does not invest in the retailing organization. He does, as a rule, make heavy concessions, which are tantamount to an investment. The deal which the Gillette Safety Razor Company had with the United Cigar Stores Company was an arrangement of this kind. It recently was terminated through a lawsuit, which was settled out of court.

Scores of wholesale grocers have been expanding in late years in the direction of retailing. Any number of them have been sponsoring voluntary chains. In some cases the wholesaler actually becomes financially interested in the chain. Even where there is no ownership involved in the stores, the wholesaler is obliged to put a certain amount of money in the scheme to assure its success. In other instances, wholesalers control chains outright. The Mutual Grocery Stores in New Jersey, for example, are owned by a Newark wholesaler.

Clafin's, the old wholesale dry goods house, was probably the originator of this type of controlled merchandising. At one time it owned the Associated Dry Goods Stores—Lord & Taylor, McCreery's, Hahne's, etc.

Wholesalers, too, have often expanded by becoming manufacturers.

sense*not Magic* is the keynote of today's advertising

Magicians can pull rabbits out of empty hats. But advertising isn't magic—it's just plain horse-sense. Pages of advertising can produce customers only out of those magazines whose subscription lists hold potential customers.

Today's advertising must forego the spectacular for the more certain in results. If you're selling to business and industry your advertising belongs in the magazines that go direct to those fields. Preferably those that go there *exclusively*.

McGraw-Hill business publications do just this. They offer you a selected audience of over half-a-million business men, industrialists and engineers—the men who can give or withhold today's buying orders. McGraw-Hill Publications are more than magazines. A recent check-up showed that they are used as buying guides by 69% of the executives questioned.

Advertise in them and you will see how true this is!



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Metal and Mineral Markets
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Electric Railway Journal
Bus Transportation
Aviation
Textile World

Electrical World
Electrical Merchandising
Electrical West
Power

Radio Retailing
Electronics
Food Industries
Chemical & Metallurgical
Engineering



Cartoon from Judge

Caption by Sales Management

"Which soup do you want to have win in this field research?"

Dry goods jobbers are manufacturing work clothing, sleeping garments, house dresses, etc. Grocery jobbers are manufacturing a wide variety of specialties. In other words, a wholesaler can find outlets in manufacturing, just as a manufacturer can make sure of a certain market by doing his own wholesaling.

That, by the way, is the history of Arbuckle Brothers. John Arbuckle was a wholesale grocer in Pittsburgh. His father had been a retail grocer. The son conceived the idea of a packaged roasted coffee. Up to that time only green coffee had been merchandised. The Arbuckle coffee roasting business developed so successfully that the wholesale concern was abandoned.

Another interesting expansion story has to do with Arbuckle Brothers' entry into the mail-order business. On one occasion the executives of the partnership were engaged in a discussion as to what to do with some empty buildings which were then available. The head of the premium department was present and suggested that a mail-order house be started and the vacant buildings be used in that way.

The suggestion was not farfetched, as the organization was already practically in the mail-order business. A large variety of premiums were carried, which were sent to consumers, in exchange for coupons or coupons and cash. Thus the Charles William Stores was launched. It was called after the Jamison brothers, who then owned the concern. The first name of one was Charles and the other William.

A number of textile mills have been taking over their own distribution in recent times. This movement was started several years ago by Pepperell Manufacturing Company and the Pacific Mills. Both these mills eliminated their selling agents the same year. Pacific had been marketing its output through Lawrence & Company for forty-five years.

It was and is the custom for textile mills to turn over the marketing of their fabrics to a commission house. This method of selling justified itself, particularly during the formative stage of the industry. The trade is beginning to feel, however, that this system is not suited to modern conditions. Hence we find an increasing number of mills developing their own marketing machinery, or at least making some attempt to control their marketing. Among these are the Lorraine Manufacturing Company, the Nashua Manufacturing Company, the Wamsutta Mills of New Bedford and the Goodall Worsted Company.

The last named is probably the most significant. Goodall is the exclusive manufacturer of Palm Beach cloth. This was sold to a number of makers of summer clothing, who converted it into Palm Beach suits. Beginning with the 1932 season, Goodall will manufacture and distribute its Palm Beach suits through a subsidiary.

Several of the large coal mining companies have been making a gesture at taking a hand in their own distribution. The Lehigh Valley Coal Corporation had an interest in Burns Brothers, the large coal distributor, whose activities centered around the New York metropolitan district. Other coal operators were reported to be similarly interested. But apparently the scheme has not been satisfactory, as Burns Brothers has been having financial difficulties.

The automobile manufacturers have been investing in the taxicab business as an outlet for cars. Several such arrangements exist. For instance, General Motors controls the Terminal Cab system in New York. Andre Citroen, the French Henry Ford, operates a large number of taxis in Paris.

The late I. E. Emerson, originator of Bromo Seltzer, owned one of the finest farms in the United States. He also owned the Emerson Hotel in

Baltimore, famous for its Southern cooking. Whether he started the hotel as an outlet for his farm produce, I don't know. Anyway, he did find the hotel a profitable market for the output of his farm.

Alice Foote McDougall was a coffee roaster and still is. She launched her chain of unique restaurants in New York as an outlet for coffee. Eventually these restaurants became gift shops as much as eating places.

I am told that Henry Lustig, a large produce commission dealer in New York, is the genius behind the Longchamps chain of restaurants in that city. What better controlled market for vegetables and fruits than the ownership of popular eating houses that specialize in serving fruits and vegetables!

(Previous articles in this series appeared February 8, February 22, March 15, April 3, August 2, 1930, and January 10, 1931.)

National Trade Journals Sold; Myers Reacquires Architectural Forum

NEW YORK—The various business magazines of National Trade Journals have just been sold at auction.

The *Architectural Forum* has returned to Howard Myers, who as president of Rogers & Manson Company owned it until 1928. The Industrial Press, publishers of *Machinery*, has purchased *Heating and Ventilating*; Reuben H. Donnelley has entered the business paper field by purchasing *National Cleaner and Dyer*; and *Interior Architecture and Decoration* has bought *Good Furniture and Decoration*. The last two will be merged, the others operated as independent magazines.

All remaining properties of National Trade Journals, including *Motorboat*, *Motor Ship*, *Diesel Power*, *Specialty Salesman*, *Canning Age*, *Fishing Gazette*, *Butchers' Advocate*, and the National Plan Service, were bought by the Neyocy Company, a group headed by Joseph M. Wright, former president of National Plan Service.

Mr. Myers has retained the personnel of *Architectural Forum*, with Kenneth K. Stowell as editor, Roger W. Sherman as managing editor and John Cushman Fistere as associate editor. Lester Fountain continues as advertising manager. The personnel and address of the Chicago office will be announced shortly. Headquarters are in the New York Daily News Building, 220 East Forty-second Street. Recently Mr. Myers has been connected with *Building Investment*.

How a great office equipment house ties together its several units under a famous family name

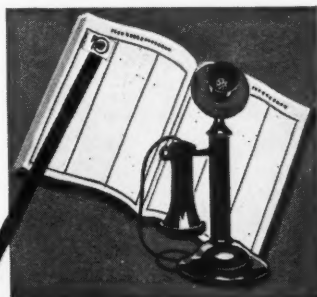
REMINGTON RAND, makers of office equipment and supplies, recognizing the possibility of confusion because of the various names within its organization, contracted for Trade Mark Service to associate these names with the family name "Remington Rand." This concern now lists in classified telephone directories under "Office Equipment" the heading "Remington Rand Business Service." Associated with this trade mark heading are the names of various products, under which appears a Remington Rand listing—name, address and telephone number.

A cross reference "Remington Rand Business Service" appears in the "R" pages. A Remington Rand listing also appears under the heading of each of the various

products, each of which is indexed separately according to its type.

Trade Mark Service fits the varied merchandising needs of many businesses today. It helps prevent substitution, makes for closer dealer relations, increases sales. To the consumer, it is sure to mean easier, safer buying.

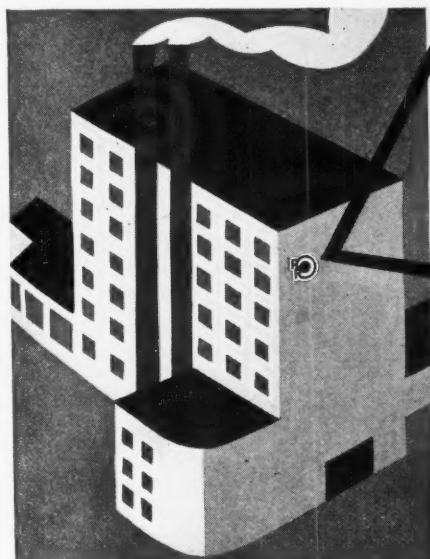
Trade Mark Service may be an important aid to you. Telephone or write for the booklet, "A Major Contribution to Modern Merchandising." There's no obligation.



Trade Mark Service Manager Z-5
AMERICAN TELEPHONE AND TELEGRAPH COMPANY
195 Broadway, New York, N. Y., EXchange 3-9800
208 W. Washington St., Chicago, Ill., OFFicial 9300

Dear Sir: We would like to have the book, "A Major Contribution to Modern Merchandising," which shows how Trade Mark Service can be applied to knotty merchandising and selling problems in many businesses. This request places us under no obligation whatever.

Company _____
Address _____
By _____



"WHERE TO BUY IT"—An additional service in classified telephone directories—bridging the gap between advertising and selling



Standard Oils May Pool Funds to Sell One Brand Nationally

BY LAWRENCE M. HUGHES

RE-ESTABLISHMENT of a strong, nation-wide Standard Oil Company may be carried forward another step soon when three of the four largest members of the "Rockefeller group" are expected to pool their advertising appropriations and to promote identical brands of oil and gasoline throughout the country.

The companies referred to are the Standards of New Jersey, Indiana and California. With New Jersey marketing directly and through subsidiaries along the Atlantic and Gulf coasts, Indiana from the Atlantic to the Rockies and California along the Pacific Coast, they would be able to provide intensive coverage in almost every state.

Officials of the New Jersey company denied that they had any such intention to combine their advertising program with those of the California and Indiana companies. They said that no merger with Indiana was being considered, and that even in the event of government approval of the New Jersey-California combination, the advertising programs might still be conducted separately.

Socony-Vacuum, Inc., just formed by a merger of the Standard Oil Company of New York and Vacuum Oil Company to become the first member of the group to market gasoline nationally, would not be included. Vacuum has sold lubricants throughout the country for a number of years, and since 1928 has been engaged in an extensive program to gain control of filling stations.

The New Jersey-Indiana-California companies are now considering this plan to "merge" their promotional efforts, SALES MANAGEMENT learned this week, and a national campaign in magazines, newspapers and other media will probably follow, under the direction of McCann-Erickson, Inc., advertising agent for these and several other members of the Standard group.

Already these three companies have united in the organization of the Stanavo Specifications Board, which is now promoting Stanavo aviation oil nationally through this agency. The new program would extend their concerted efforts to the wider market of motor car gasoline and oil.

The new program would follow

How Big Will the Oil Mergers Be?

(Based on assets on December 31, 1930)

(000,000 omitted)			
S. O. N. J.	\$1,770	Sinclair	405
S. O. California....	610	Tidewater-Assoc. ...	248
		Prairie Oil & Gas...	195
	\$2,380	Prairie Pipe Line...	179
		Rio Grande	53
		Socony	\$720
		Vacuum	241
			\$961
			\$1,090

closely the announcement of merger negotiations between the New Jersey and California companies. The Standard of Indiana is expected to join later.

Combined, these three have assets of about \$3,200,000,000—three and one-half times as large as Socony-Vacuum; three times as large as the proposed merger of Sinclair, Tidewater-Associated, Prairie Oil & Gas, Prairie Pipe Line and Rio Grande, and more than four times as large as any present American "independent" oil company.

New Jersey-California, however, and even New Jersey-Indiana-California would not have a monopoly of the American market. Although New Jersey was the nucleus of the old Standard Oil trust and now, with assets of about \$1,770,000,000, is twice as large as the trust at the time of its dissolution twenty years ago, the most of its operations are abroad. New Jersey's products are sold in 114 countries; it maintains filling stations in twenty-three. In the United States, on the other hand, it sells gasoline and oil in only nineteen states; while three other companies, Texas Corporation, an independent, Shell Union (a subsidiary of the British Royal Dutch-Shell interest) and Socony-Vacuum are now selling nationally, and several others, such as Sinclair, Cities Service, Gulf and Continental, market their products from the Rockies to the Atlantic.

Not only that, but as Walter C. Teagle and Kenneth R. Kingsbury, presidents of the New Jersey and California companies, pointed out in their announcement of merger negotiations a few weeks ago, the enlarged company, on the basis of 1930 figures, would account for only "about 10 per

cent of the total crude oil production and approximately 18 per cent of the total gasoline business of the United States, domestic and export." (Gasoline now accounts for two-thirds of the industry's income.) Even with the addition of Indiana this group would do only about 27 per cent of the gasoline business—a small part when it is considered that the trust at the height of its power controlled more than 80 per cent of the entire oil industry, and when it is pointed out that such concerns as General Motors and United States Steel (which are not looked upon as trusts at all) do 40 and 50 per cent of the business in their respective industries.

The attitude of the government, the press and the public toward larger and more effective groups in industry has become more liberal as a result of the business depression and the intense and wasteful competition which precipitated it. The oil industry, paying \$130,000,000 annually to "carry" stocks for which there is no immediate market, with perhaps twice the refining capacity and four times the number of filling stations as are needed, has been especially hard hit. Aggregate earnings of the larger companies were more than cut in half last year. The Standard of New Jersey fell about two-thirds from about \$121,000,000 in 1929 to \$42,000,000 in 1930. Shell Union, which succeeded in extending its marketing facilities to every state in 1929, suffered a loss of about \$5,000,000 in 1930, and this loss was increased to nearly \$21,000,000 in the first half of this year.

In addition to thousands of companies and individual operators engaged in one phase or another of the American oil industry—production,

transportation, refining and marketing—there are still between 200 and 300 fully integrated concerns. Mergers have lessened the number of late. Several of the stronger companies have doubled or trebled in size in the last ten years, with the result that some fifteen companies, each with assets of more than \$200,000,000, now constitute 90 per cent of the industry and make a proportionate share of the profits, and each operates on a fairly equal scale—most of them internationally.

But more and larger mergers are thought to be necessary. Of these fifteen, eleven are independents and only four are Standards. Although the aggregate size of these independents is larger by about \$300,000,000 than that of the four Standards, the Standards are still making about 50 per cent more money. This is due to the fact that the Standards generally have been more closely coordinated and more efficiently operated. It is due to mutual ownership and traditions, similar methods and a common desire to effect an enterprise or several enterprises which would be able to compete on more even terms with the independents, who have not been hampered by the anti-trust laws.

There are still in existence some thirty-five companies which were subsidiaries of the old Standard Oil Company of New Jersey. In sixteen of

the larger members the Rockefeller interest is said to average between 15 and 17 per cent.

There have, however, been certain desertions from the group. The two Prairie companies, which would provide about one-third of the assets of Harry F. Sinclair's combination, were members of Standard Oil. Continental Oil Company, an original member of the family, is now controlled by J. P. Morgan & Company, although Rockefeller has retained some interest in it.

Even the great Indiana company, until recently second only to New Jersey in the American industry, was "independent" for a time, under the leadership of Colonel Robert W. Stewart. To depose Stewart, apparently for his refusal to answer certain questions asked by the United States Senate, John D. Rockefeller waged a personal fight for proxies.

The formal return of Indiana to the New Jersey fold and the plan ultimately to merge these two and California was first announced in this magazine September 28, 1929. As one of the steps along this line, it was pointed out, the advertising account of the Indiana company would be returned to H. K. McCann Company, predecessor to McCann-Erickson, Inc., to provide uniform advertising direction. Harry McCann of this agency was advertising man-

ager for the old New Jersey company before the dissolution.

The first formal action toward the organization of a nation-wide company by members of the Standard group, however, was taken by Socony and Vacuum last year. Because these companies combined were only half as large as New Jersey it was thought that such a merger would prove an effective "test" of the dissolution decree in the face of present-day competitive conditions, without arousing too much public and governmental concern as to its size. This merger was formally approved by the Federal Court at St. Louis last February, and became effective in July.

Almost immediately the plan for a New Jersey-California combination was revived. The merger would be on a share-for-share basis. Some indication of the ability of the two to work together may be found in the fact that in spite of all the wide fluctuations of the stock market in the last two years, the shares of New Jersey and California have remained close together. Since the merger plan was announced, about two weeks ago, they have been consistently within a fraction of a point of one another, at about forty.

New Jersey-California and even New Jersey-Indiana-California would find plenty of competition, not only from independents but apparently from other Standards as well. There are certain strong "state" Standards, such as the Ohio, the Kentucky and the Nebraska, which might put up a good fight in their territories. Standard of Ohio, for example, now sells annually 400,000,000 gallons of gasoline—about four-fifths as much as California on the Pacific Coast, nearly half as much as Indiana's total in fifteen states and two-fifths as much as New Jersey.

Although the New Jersey and New York companies are still "related" (and still maintain headquarters in the same building at 26 Broadway, where New Jersey is New York's tenant), they appear to be more directly competitive now. New Jersey, for example, has just started to market its own brand of "Esso" gasoline in Soconyland (New York and New England). The advertising campaigns of Socony-Vacuum are handled not by McCann-Erickson, but by Batten, Barton, Durstine & Osborn and the Blackman agencies. Carl H. Pforzheimer & Company, engaged for many years in helping to sell Standard Oil securities to the public, does not get much cooperation from Socony-Vacuum nowadays.

(Continued on page 404)

What Happened to the Leading American Oil Companies in the Last Two Years

	STANDARDS			
	Assets		Earnings	
	1930	1929	1930	1929
New Jersey	\$1,770,000,000	\$1,767,000,000	\$ 42,000,000	\$121,000,000
Indiana	801,000,000	697,000,000	46,000,000	78,000,000
New York	720,000,000	708,000,000	16,000,000	39,000,000
California	610,000,000	605,000,000	38,000,000	47,000,000
Vacuum	241,000,000	206,000,000	20,000,000	37,000,000
TOTAL	\$4,042,000,000	\$3,983,000,000	\$162,000,000	\$322,000,000
	INDEPENDENTS			
	1930	1929	1930	1929
Gulf	\$ 762,000,000	\$ 687,000,000	\$ 11,000,000	\$ 44,000,000
Cities Service*	700,000,000	504,000,000	35,000,000	22,000,000
Shell Union†	677,000,000	662,000,000	** 5,000,000	18,000,000
Texas	582,000,000	610,000,000	15,000,000	48,000,000
Sinclair	405,000,000	401,000,000	20,000,000	17,000,000
Tidewater-Assoc.	248,000,000	251,000,000	9,000,000	14,000,000
Pure Oil	217,000,000	215,000,000	3,000,000	7,000,000
Phillips	214,000,000	145,000,000	6,000,000	13,000,000
Prairie Oil & Gas	195,000,000	210,000,000	2,000,000	14,000,000
Prairie Pipe Line	179,000,000	182,000,000	15,000,000	23,000,000
Conoco	179,000,000	197,000,000	285,000	9,000,000
TOTAL	\$4,358,000,000	\$4,065,000,000	\$111,285,000	\$229,000,000

* The Cities Service figures on this list are approximate, the 1930 figures representing about 35 per cent of the total assets and earnings of the company and the 1929 about 25 per cent, this being the proportion of this company's holdings and activities in the oil industry in these periods.

† The Shell figures include only those of Shell Union and subsidiaries—Shell Union being owned 73 per cent by Royal Dutch-Shell int'cts.

** Deficit.

G. E. Sales Organization Starts "Election" Drive to Rule "Refrigerania"

CLEVELAND—Just a year before the national presidential contest becomes heated the electric refrigeration department of the General Electric Company will start an election campaign, September 14, to roll up votes (sales) for the control of "Refrigerania." Energy and persistence will be more potent than platform planks. Ten thousand will participate—distributors running for president and for cabinet portfolios; sales managers in each distributorship for governor; branch managers and supervisors for lieutenant governor; utility merchandising managers for senator and dealers for Congress. Salesmen will compete for the office of mayor of their distributor's chief city.

Prizes will range from custom-built deluxe automobiles and specially constructed delivery trucks to desk sets, diamond rings, movie cameras and bedroom suites. In addition, there will be several thousand dollars in cash available.

The land of "Refrigerania" is divided into seven districts, each of six to eleven states. The distributor doing the best sales-to-quota job for the period of the campaign will become president, the second best vice-president, and so on through the cabinet positions, from secretary of state down.

New England's Business Almost Invulnerable

BOSTON—The proverbial "Yankee shrewdness" and conservatism assert themselves in a report from the New England Council at Boston, which reveals that New England has weathered the depression better on the whole than the rest of the country.

Building contracts, which declined 33 per cent throughout the rest of the country in the first six months of 1931 compared with the same period of 1930, were only 11.4 per cent lower in New England. Bank debits were off 22.6 per cent in New England as against 27.2 for the rest of the country. Business failures fell 5.6 per cent in New England as against an increase of 11.7 elsewhere and life insurance sales were down 6.0 as against 16.0.

In addition, shoe production in five months increased 7.9 in New England as against a decrease of 2.5 and wool consumption was up 20.9 as against 10.5 for the nation as a whole.



George M. Burbach

Major Market Newspapers Succeeds 100,000 Group

CHICAGO—The 100,000 Group of American Cities, Inc., has changed its name to Major Market Newspapers, Inc., "in order better to identify its work with the newspaper industry." The group comprises 106 newspapers and provides sales and advertising executives with standardized studies of their markets.

George M. Burbach, advertising director of the St. Louis *Post-Dispatch*, has been elected president of Major Market Newspapers, to succeed the late Walter A. Strong of the Chicago *Daily News*, and Harry T. Watts, business manager of Des Moines *Register-Tribune*, vice-president. Colonel Frank Knox, Chicago *Daily News*, and J. Russell Knowland, Jr., Oakland *Tribune*, have been elected to the board.

The 1931-1932 edition of "A Study of All American Markets" is now planned for distribution in Chicago and New York during the week of September 14, at a series of luncheons.

Seattle Starts Fight on "Depressionism"

SEATTLE—Seattle has started to "outlaw" the depression.

To discourage advertising that tends to depress, a joint committee has been formed by the Chamber of Commerce and the Advertising Club, with J. William Sheets, advertising counselor, as chairman, which is now seeking the cooperation of advertisers, advertising agencies and media in "toning up" their copy.

Younger Kellogg Rivals His Dad; Starts "Pops" in Chicago Territory

CHICAGO—"Pops," a new breakfast food manufactured by Foodtown Kitchens, Inc., of Chicago, is being introduced intensively here as a step toward national distribution.

John L. Kellogg, son of the famous W. K. Kellogg of Battle Creek, who took bran away from the cows and made people like it, is the father of Foodtown and Pops. These Pops are described as a whole-grain food, "popped like popcorn." There are two kinds of this new breakfast food—rice and wheat.

Opening guns were fired this week when liberal advertising was started in the Chicago *Tribune*, *Herald & Examiner*, *News* and *American*. The products are promoted daily over WBBM and thrice weekly over KYW. Outdoor advertising consists of a representative showing of posters contracted for a period of three months. Elevated railway car cards, dealer media and sampling are also being employed extensively.

A feature of the campaign will be a "pop" gun to be given to children. The suggested price to grocers is ten cents for Wheat Pops and twelve and one-half cents for Rice Pops.

The initial newspaper advertising consists of a "teaser" campaign in series: "Say Pops to the grocer and see what you get. Free package awaits you." "Dad said Pops to the grocer and lost his grouch."

"Mother said Pops to the grocer. 'What a surprise for the family.'"

The McJunkin Advertising Company, Chicago, designed the packages and has laid out the advertising campaign. The packages are colored in red, green, yellow and black. A smiling, rosy-cheeked boy is shown on the Rice Pops package, pouring his portion; on the Wheat Pops is a plump little girl with a spoon in her dish.

The Foodtown Kitchens, Inc., plant is built around the old Schoenhofen brewery, which Mr. Kellogg purchased and has remodeled and rebuilt. John L. has thus become a direct competitor of W. K., and is helping Chicago to make a bid for Battle Creek's laurels.

Cuts Refrigerator Prices

NEW YORK—Frigidaire Corporation, at a sales meeting here this week, announced substantial reductions in the price of its residential models, which will be intensively promoted in the next four months. Models which have been selling at retail at \$250 and under have been reduced 5 per cent; models above \$250, 10 per cent.

TWO BILLION DOLLARS a Year in RETAIL SALES!



KANSAS and Missouri (excluding St. Louis) spend 2 billion dollars a year in retail stores.

The outlook for a good fall and winter trade is especially promising. Despite the fact that wholesale prices are down 25%, merchandise sales to retail merchants of the Southwest in Kansas City's annual fall market event averaged 15 to 20 per cent more in money value than for the same event last year. The registration of merchants reached 1,450, which is 225 more than attended the event in 1930.

Through The Kansas City Star (Sunday and Weekly or Daily and Weekly) advertisers can reach one out of every two families in Kansas and Missouri, excluding only the city of St. Louis.

The Star's advertising rate is the lowest in America on a basis of circulation. This applies alike to the Daily Star in the daily field and to The Weekly Star in the agricultural field.

Net Paid Circulation of The
Kansas City Star—Latest A.
B. C. Averages

EVENING
2 9 7 , 1 9 3
MORNING
2 9 5 , 6 9 7
SUNDAY
3 1 3 , 8 7 5
Weekly Star
4 9 3 , 1 9 7

THE KANSAS CITY STAR.

Luckies in Cellophane; to Launch Campaign Soon to Promote It

NEW YORK—Lucky Strike has been converted to cellophane.

The American Tobacco Company will launch an advertising campaign the latter part of this month to promote this brand of cigarettes in its new dress.

Production of the new wrapper was started August 1 and additional equipment has since been brought into line to handle it. First shipments went forward to jobbers September 3. A number of retail outlets have just been supplied.

The trend of the four leading cigarette brands to cellophane wrappers was started by R. J. Reynolds Tobacco Company for its Camel brand last March. Old Gold of the P. Lorillard Company followed soon after, and Chesterfield of Liggett & Myers a month or so ago.

These four brands constitute about 96 per cent of the total cigarette production of the country. All of the cellophane "humidor packs" are merely the moisture-proof product of the Du Pont Cellophane Company—although Chesterfield has become the first of the four to mention the Du Pont name in its promotion. Camel gave the impression, in announcing its \$50,000 "advantages" contest for its new wrapper, that it was specifically designed for its use.

A number of other cigarette brands are now wrapped in cellophane, either plain or moisture-proof.

The price of moisture-proof in large quantities is now seventy-five cents a pound. Each cigarette wrapper is about twenty-eight square inches and there are 19,500 square inches of cellophane to the pound. On this basis Lucky Strike would employ about 2,850,000 pounds annually—assuming that its present sales volume is about the same as the 43,000,000,000 units, or about 2,100,000,000 packages, of last year. Exclusive of the expense in installing new wrapping machinery, cellophane for this purpose would cost the American Tobacco Company more than \$2,000,000 annually.

As the result of the adoption of cellophane for cigars, cigarettes and a variety of other products, the Cellophane company has become the most profitable unit of E. I. du Pont de Nemours & Company.

CLEVELAND—The Lenz bridge contest, until now conducted annually by *Judge*, will be sponsored this fall by the National Lamp Works of General Electric Company. Prizes valued at \$20,000 will be awarded.

Seattle to Have Floating Motor Boat Salesroom

SEATTLE—A "Motor Boat Marina" to promote boats and allied lines in the Puget Sound district is being projected by F. G. Epton, Seattle, Pacific northwest distributor for Chris-Craft motorboats.

A site has been obtained at 1117 East Northlake Avenue on Lake Union, where in addition to some forty different models of Chris-Craft runabouts and family cruisers, the products of other boat manufacturers as well as of distributors of oil, gasoline and aquatic accessories, will be available.

The Marina will also have facilities for mooring and storing.

E. E. Calkins Retires; Rene Clarke to Head Calkins & Holden

NEW YORK—Earnest Elmo Calkins, for a quarter of a century one of the nation's best known advertising agency executives, has resigned as president of Calkins & Holden, New York, which he founded in 1902 with the late Ralph Holden, to devote his time to writing. Mr. Calkins' increasing deafness caused the decision.

Rene Clarke, connected with the agency since 1912 and for several years a vice-president, has been elected president. The name and personnel of Calkins & Holden are unchanged. Early in his career Mr. Calkins became a copywriter with the agency of Charles Austin Bates. Previously he had had reportorial and merchandising experience in the middlewest. He has specialized in the creative end of agency work.

Mr. Calkins has written several books and has lectured widely on the business and profession of advertising, and has also contributed articles to *Atlantic Monthly*, *Scribner's*, *Delineator* and other general magazines and to the advertising business press. His autobiography, "Louder, Please," was published five years ago.

A Correction

Because of the phraseology used in an article appearing in the August 29 issue of *SALES MANAGEMENT* referring to the tire industry, the impression has been created that the India Tire & Rubber Company, Akron, manufactures tires for chain stores and gasoline stations. This company confines its sales to independent retail outlets, but does make a "brand" tire for a southern distributing organization operating a large chain of retail stations.

Phonograph Records Advertising Medium; Durium Extends Plan

NEW YORK—A "musical magazine" is the latest advertising medium.

The magazine will make its debut October 1 under Durium Products, Inc. It is based on the Durium hit-of-the-week phonograph record, a flexible, shatter-proof record, sold by newsstands, cigar stores and other outlets.

In the envelope with the regular weekly number will be a miniature record four inches in diameter which customers will be invited to try. The smaller record contains several college songs and a short sales talk for *College Humor*.

Ground Gripper Shoes were the first advertiser to use the new medium—sending several thousand records to prospects a few months ago. A large radio advertiser is considering mailing small records containing the broadcast theme song to radio fans.

Durium Products, Inc., has just been reorganized, with Ralph Maxson as president.

Mutual Insurance Men Will Analyze Media

CHICAGO—Mutual Insurance Advertising Managers will hold a conference and exhibition here October 8 and 9. The exhibits of representative insurance advertising will be judged and awarded by O. C. Harn of Audit Bureau of Circulation; Homer J. Buckley, Buckley, Dement & Company; and Guy C. Smith, of Libby, McNeill & Libby.

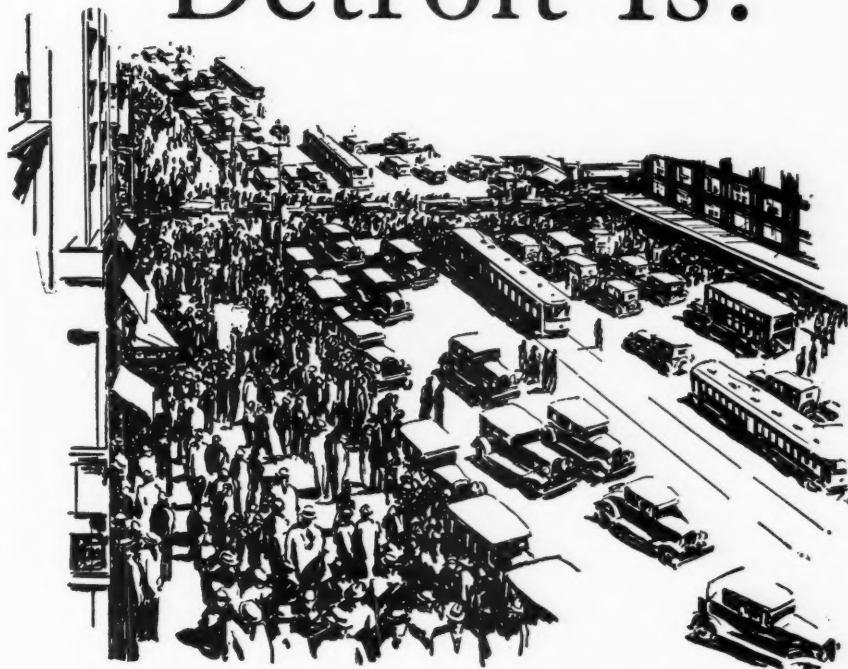
The conference, being arranged by M. P. Luthy of the Lumbermen's Mutual Insurance Company and J. M. Eaton of American Mutual Alliance, will discuss the respective values of various media.

NBC Finds Entertainers Are Still Making Money

NEW YORK—Professional entertainers and artists are making money nowadays, George Engles, director of NBC Artists Service, reported this week in pointing out that the stars handled by his booking agency have received \$10,000,000 on engagements in the last year.

Three hundred performers, including concert artists, lecturers, dancers, popular orchestras, radio stars and vaudeville actors, are included.

What a *MARKET* Detroit Is!



*17,187 Retail Stores Did Annual
Business Volume of \$882,086,767*

These are staggering figures. Let's give you some more. These 17,187 retail stores employed, according to the census of distribution, 68,315 people on full time, with an annual payroll of \$111,853,370.

Detroit is some market, isn't it? America's fourth city is worth anybody's sales effort. Particularly is it worth your attention when you consider how economically Detroit's financially able homes can be covered.

The Detroit News, with one of the lowest milline rates in America covers from 76% to 90% of Detroit's financially able homes—the big bulk of Detroit's buying power. At least 50% of Detroit News subscribers take no other paper. All of this means that you can do a thorough job of selling Detroit by using The News alone, and many of the most successful advertisers do. Sell Detroit this autumn quickly and economically through The Detroit News.

The Detroit News

THE HOME NEWSPAPER

New York
I. A. KLEIN, Inc.

Chicago
J. E. LUTZ

Member 100,000 Group of American Cities

Gossip

... The corporate identity of Hurja, Chase & Hooker, Inc., Chicago advertising agency, is not affected by the formation of Julius-Glidden-Chase & Hooker, sales and advertising counsel there, announced in the September 5 issue of SALES MANAGEMENT. The former agency, controlled by A. O. Hurja, president and treasurer, for the last ten years, is the Chicago member of the first Inter-Agency Group.

... Geyer Company, Dayton agency, has established offices in New York, at 230 Park Avenue. HARRY E. HOUGHTON, formerly sales manager of Sesamee Company of Hartford, and sales promotion and advertising manager of the Aetna Life Insurance Company, is manager of the new office.

... THOMAS H. SHANLEY has resigned after eleven years as manager of the Federal Advertising Agency, New York, to become president of Calwell, Inc., recently formed there to sell Blenda gravure and Fleuron offset processes.

... Louis A. Lepis, Inc., has acquired the business of Schmidt & Lepis, advertising typographers of New York, following the retirement of FREDERICK W. SCHMIDT. LOUIS A. LEPI is president of the new company, which will continue at 228 East Forty-fifth Street.

... O. R. Hardwell Company, advertising counsel, has been formed at 501 Fifth Avenue, New York, by O. R. HARDWELL, the partnership of Hardwell & Lewis there having been dissolved.

... RICHARD HILLIARD, general sales manager of Paraffine Companies, San Francisco, has been elected to succeed ROBERT V. CHANDLER as president of the San Francisco Sales Managers' Association. Mr. Chandler has moved to southern California.

... EDWARD F. THOMAS, until recently director of development, Manhattan Broadcasting System, Inc., has established his own agency, specializing in radio advertising.

... Chambers Agency, Inc., New Orleans, has opened an office in Denver, Colorado, with JOHN H. STUMBERG, of Baton Rouge, in charge.

... PERCY HEMUS has started a radio program service in the Manufacturers Trust Building, New York. He will be available as radio actor, writer, producer, director.

... J. C. KERAN, at one time advertising and sales promotion manager of Harvey Hubbell, Inc., Bridgeport, and later an advertising agency executive, has been appointed technical counsel to the industrial division of Edwin Bird Wilson, Inc., New York agency.

... Tom Jones Parry Company, Inc., Seattle agency, has moved to 403-4 Joseph Vance Building there. EMMET EWERS has joined the staff as production manager.

175 Stations to Present Annual One-Cent Sale of Rexall Products

BOSTON—Spot broadcasting over 175 stations throughout the country will be used by the United Drug Company to announce the annual one-cent sale of Rexall products, which opens November 4. Five programs will be put on the air, with the cooperation of Sound Studios, Inc., New York, between 9:30 and 11:15, when specific prices will be mentioned.

The "Voice of Rexall" will say, for example, that "hundreds of amazing bargains are to be had at your Rexall drug store during these four great days. Such as Jonteel Face Powder—you get the first box for fifty cents." Just at this point the voice of the "Little Red Cent," a young, feminine voice, interrupts with "Add a cent and you get another one!"

The company will hold National Puretest Week among stores affiliated with the Louis K. Liggett chain, October 3 to 10; and National Rexall Week among the association of some 10,000 stores carrying its Rexall products from November 9 to 14.

Entire Campbell "Family" May Get More Support

CAMDEN, N. J.—Plans further to extend the "publicity and sales support" given to each of the twenty-one soups of the Campbell Soup Company are now being considered with a "view to increasing the volume of lesser-known members of the line," H. F. Jones, advertising manager, told SALES MANAGEMENT this week.

As announced in this magazine last week, Campbell's Vitamin-Rich Tomato Juice is now being promoted in all sections of the country.

Directs O'Cedar Sales

CHICAGO—Robert L. Windmuller, for the last five years sales manager of Anheuser-Busch, Inc., St. Louis, has been appointed general sales manager of O'Cedar Corporation here, maker of O-Cedar polish, mops and dusters and O-Cedar spray. He joined the company's staff in July.

Smith with Waukesha

WAUKESHA, WIS.—Myron D. Smith, until recently sales manager of the Shaler Company and formerly New England sales manager for the Hupmobile Company, has been appointed general sales manager of the Waukesha Mineral Water Company.

ATLANTA—F. B. McConnell has been named assistant vice-president of Sears, Roebuck & Company, with headquarters here, supervising operations from Florida to Texas.

Account Changes

ELISE BOCK G. M. B. H., German manufacturer of cosmetics, to Erwin, Wasey & Company, Inc., Berlin.

VICTOR J. EVANS & COMPANY, Washington, D. C., patent attorneys, to Van Sant, Dugdale & Corner, Inc., Baltimore. Magazines.

ESSENTIAL PRODUCTS COMPANY, Milwaukee, household specialties, and MEIER ICE CREAM COMPANY, Waukesha and Milwaukee, ice cream and butter, to Dyer-Enzinger Company, Inc., Milwaukee. General magazines for the former; newspapers for the latter.

HAIR RESEARCH INSTITUTE, New York, "Olea," combination soapless shampoo and oil treatment, to Arthur Rosenberg Company, Inc., there.

CURTIS-STEPHENS-EMBRY COMPANY, Reading, Pennsylvania, Little Sergeant juvenile shoes; and PHILADELPHIA SAVING FUND SOCIETY, thirty-two-story office building now being constructed at Twelfth and Market Streets, Philadelphia, to Jerome B. Gray & Company, Philadelphia.

ROLLS RAZOR, British importation, distributed in this country by Lee & Schiffer, Inc., to Lyman Irish & Company, Inc., New York. Magazines and large city newspapers.

Introduce Dispenser to "Count" Gasoline

DAYTON—A dispenser which not only measures and delivers gasoline but also keeps a record of the number of gallons dispensed and the corresponding money value has been developed by the Davis Welding & Manufacturing Company, Cincinnati, maker of gasoline tank truck equipment, and the Ohmer Fare Register Company here.

The device was intended to protect the customer against error and to afford the station operator an automatic control of gasoline dispensed and money received.

A number of oil and motor transportation companies are said to have expressed interest in the new device.

Ward Launches Refrigerator

CHICAGO—Montgomery Ward & Company will soon introduce in the Chicago district an electric refrigerator, called the Tru Kold. Quantity production has already begun and nation-wide distribution is planned by spring.

CHICAGO—The Chicago Tribune recently used the first of a series of colored pages for the Bristol-Myers Company, New York, advertising Ipana. The advertisements are scheduled to run about a month apart.

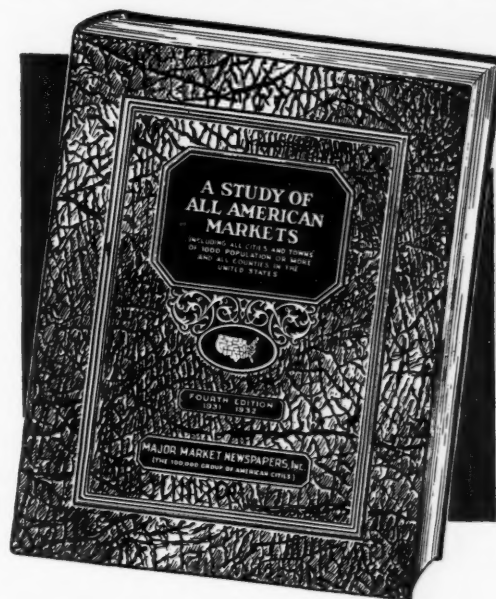
1931-1932 EDITION IS NOW AVAILABLE

The 106 Major Markets and Their Leading Newspapers

Akron, Ohio, *Beacon Journal*
 Albany, N. Y., *Knickerbocker Press and Evening News*
 Allentown, Pa., *Morning Call*
 Atlanta, Ga., *Journal*
 Baltimore, Md., *Sun*
 Binghamton, N. Y., *Press and Leader*
 Birmingham, Ala., *News-Age-Herald*
 Boston, Mass., *Globe*
 Bridgeport, Conn., *Post and Telegram*
 Brooklyn, N. Y., *Eagle*
 Buffalo, N. Y., *News*
 Canton, Ohio, *Repository*
 Charleston, S. C., *Post-News & Courier*
 Charlotte, N. C., *Observer*
 Chattanooga, Tenn., *News*
 Chicago, Ill., *The Daily News*
 Cincinnati, Ohio, *Times Star*
 Cleveland, Ohio, *Plain Dealer*
 Columbus, Ohio, *Dispatch*
 Dallas, Texas, *Times Herald*
 Dayton, Ohio, *News*
 Denver, Colo., *Post*
 Des Moines, Iowa, *Register and Tribune*
 Detroit, Mich., *News*
 Duluth, Minn., *Herald and News-Tribune*
 Elizabeth, N. J., *Daily Journal*
 Elmira, N. Y., *Star-Gazette & Advertiser-Sunday Telegram*
 El Paso, Texas, *Times*
 Erie, Pa., *Times*
 Evansville, Ind., *Courier Journal*
 Fall River, Mass., *Herald News*
 Flint, Mich., *Journal*
 Fort Wayne, Ind., *New Sentinel*
 Fort Worth, Texas, *Star-Telegram*
 Gary, Ind., *Post-Tribune*
 Grand Rapids, Mich., *Press*
 Harrisburg, Pa., *Patriot-News*
 Hartford, Conn., *Times*
 Honolulu, Hawaii, *Star-Bulletin*
 Houston, Texas, *Chronicle*
 Indianapolis, Ind., *News*
 Jacksonville, Fla., *Florida Times-Union*
 Jersey City, N. J., *Jersey Journal*
 Kansas City, Mo., *Star*
 Knoxville, Tenn., *Journal*
 Lawrence, Mass., *Eagle and Tribune*
 Lincoln, Neb., *Lincoln Journal*
 Little Rock, Ark., *Arkansas Democrat*
 Long Beach, Calif., *Press Telegram*
 Los Angeles, Calif., *Times*
 Louisville, Ky., *Courier, Journal and Times*
 Lowell, Mass., *Courier, Citizen and Leader*
 Lynn, Mass., *Item*
 Memphis, Tenn., *Commercial Appeal and Evening Appeal*
 Miami, Fla., *Herald*
 Milwaukee, Wis., *Journal*
 Minneapolis, Minn., *Journal*
 Nashville, Tenn., *Tennessean*
 Newark, N. J., *News*
 New Bedford, Mass., *Standard and Mercury*
 New Haven, Conn., *Register*
 New Orleans, La., *Times Picayune*
 New York, N. Y., *New York Sun*
 Norfolk, Va., *Ledger-Dispatch*
 Oakland, Calif., *Tribune*
 Oklahoma City, Okla., *Oklahoman and Times*
 Omaha, Neb., *World Herald*
 Paterson, N. J., *Morning Call*
 Peoria, Ill., *Journal Transcript*
 Philadelphia, Pa., *Evening Bulletin*
 Pittsburgh, Pa., *Press*
 Portland, Ore., *Oregonian*
 Providence, R. I., *Journal Bulletin*
 Reading, Pa., *Times*
 Richmond, Va., *Times Dispatch*
 Rochester, N. Y., *Times Union, Democrat-Chronicle*
 Sacramento, Calif., *Bee*
 St. Louis, Mo., *Post-Dispatch*
 St. Paul, Minn., *Dispatch, Pioneer Press*
 Salt Lake City, Utah, *Tribune-Telegram*
 San Antonio, Texas, *Express and News*
 San Diego, Calif., *Union and Tribune*
 San Francisco, Calif., *Chronicle*
 Schenectady, N. Y., *Gazette*
 Scranton, Pa., *Times*
 Seattle, Wash., *Times*
 Shreveport, La., *Times*
 Sioux City, Iowa, *Journal*
 South Bend, Ind., *Tribune*
 Spokane, Wash., *Spokesman Review and Chronicle*
 Springfield, Mass., *Springfield Newspapers*
 Syracuse, N. Y., *Herald*
 Tacoma, Wash., *News Tribune and Ledger*
 Tampa, Fla., *Morning Tribune*
 Toledo, Ohio, *Blade*
 Trenton, N. J., *State Gazette, Times and Times Advertiser*
 Troy, N. Y., *Record*
 Tulsa, Okla., *World*
 Utica, N. Y., *Observer-Dispatch*
 Washington, D. C., *Star*
 Waterbury, Conn., *Republican and American*
 Wichita, Kan., *Eagle*
 Wilkes-Barre, Pa., *Times Leader*
 Wilmington, Del., *Journal and News*
 Worcester, Mass., *Telegram-Gazette*
 Youngstown, Ohio, *Vindicator*

4th Edition

1931-1932



"A Study of All American Markets"

Here is basic merchandising data for the entire United States compiled by states, counties, and all towns of over 1000 population.

SALES and advertising executives will welcome the release of the 4th edition of "A Study of All American Markets." The new edition contains essential merchandising data for the 106 major markets, along with a State section that includes the entire country and Territory of Hawaii.

Specially drawn maps of the 106 major markets, a complete set of state maps, together with a large U. S. map, make this new edition an invaluable reference book for sales and advertising executives.

The sales information throughout the entire book is presented in a standardized form, and includes population figures and population characteristics compiled from the 1930 census, bank deposits (savings), passenger car and commercial vehicle registrations, along with a detailed count of

twenty-four major classifications of retail outlets, including seven wholesale, and six classifications of chain store outlets.

The chain store figures have been secured direct from the headquarter offices of the chain store companies and represent the most complete chain store count ever assembled and published.

How to Obtain a Copy

The gratis distribution of this volume is limited to seriously interested business executives concerned with the utility of newspaper advertising. To others, Major Market Newspapers, Inc., reserves the right to charge the production cost of \$15 per copy. All inquiries must be written on business stationery, and contain one dollar to cover packing and postage.

MAJOR MARKET NEWSPAPERS, INC.

(The 100,000 Group of American Cities)

400 West Madison St., Chicago, Illinois

110 East 42nd Street, New York City

Chicago Telephone STATE 7825

New York City Telephone LEXINGTON 2-2756

Editorials

THE FALL SEASON: With Labor Day behind us we now enter the part of the year which is of most importance to many businesses. Summer vacations are at an end, the schools are about to reopen and everything is normally ready for a resumption of all our activities. In the present instance there are special reasons for awaiting the event with keen interest. Adversity has been with us for more than two years, longer than customary, according to historical precedents. In not a few influential quarters the opening of this fall has been looked forward to as likely to mark the real beginning of a slow revival. . . . For this expectation there are some solid reasons. Business in general has adapted itself to new conditions. Low prices are no longer treated as a temporary phase that must be changed before our minds can be attuned to a new period of prosperity. We know that inventories are low and that replacement demand in large volume hovers over a good many of our industries. Abroad the situation is still obscure, but basically it has been changed for the better. There is a chance at least that in the not distant future our foreign trade will begin to look up. All that is needed is a real jog to set turning wheels which have long been at rest. . . . Whether this jog will be supplied by the seasonal reawakening remains to be seen. At best nothing of the sort can be rapid; too much ground has been lost to permit complete recovery before many moons have set. One vital advantage we possess: we have entrenched ourselves for a long siege. Any turn for the better will find us ready to take full advantage of the improved conditions. Inured to disappointment, on the other hand, we are not likely to spoil a good beginning by fatuous impetuosity in rushing to meet it.

GOLD HOGGING: A development which business men cannot afford to ignore is the increasing number of suggestions that owing to the abnormally large gold holdings of this country and France the gold standard is failing of its purpose and may therefore have to be abandoned. We have taken in half a billion dollars' worth this year and now have nearly half the world's total monetary supply—\$5,000,000,000 of \$11,000,000,000. But, contrary to precedent and principle, we have experienced no inflation of prices or credit—but quite the opposite. In other words, our surplus gold is not functioning while other countries are starving for lack of it. . . . Our Federal authorities seem to be satisfied with the explanation that frightened gold has found safe sanctuary in America. Our bankers have little to say

on the subject, apparently puzzled by what has occurred. Economists are less reticent. Professor F. Cyril James of the Wharton School of Commerce and Finance, for example, says that if the gold standard is to endure, the value of gold must be regulated by the credit policy, and that that policy must be international. The existing supplies of monetary gold should be redistributed, he declares, in such a manner as to insure their maximum efficiency. This seems like common sense. If it isn't, a better reason for locking up gold should be given than has thus far been advanced by our bankers and Treasury officials.

BUSINESS HONESTY: It is significant of the trend to complete honesty in business dealings with the public that nowhere in the food and drug industries is heard serious protest against official proposals to strengthen the regulatory phrases of the Food and Drugs act. A quarter of a century ago, when Dr. Wiley secured enactment of the measure, the new law was regarded as extremely radical and for that reason impracticable. Today sentiment among the food and drug packers is for strengthening rather than for relaxation of its provisions. . . . Speaking at a recent meeting of dairy, food and drug officials, W. G. Campbell, director of regulatory work in the Department of Agriculture, called attention to the negative character of the section which prohibits untruthful labels. "In saying only that such statements as the labels bear must not be false, misleading, deceptive nor fraudulent," he declared, "the law makes possible the sale of either foods or drugs without any representation whatever concerning the identity of the ingredients or their nutritious or therapeutic value." Mr. Campbell stressed the need of legislative reinforcement of the statute in this respect. . . . Comparatively few years ago such a proposal would have evoked a storm of opposition. We should have been warned against the dangers of paternalism in government and of interference with business. Now the temper of business is unruffled by action taken or recommended against doubtful producers. With expansion of demand for the output of food and drug factories there is increasing need of watchfulness to safeguard confidence in the whole structure of processed foods and drugs. Great industries recognize the commercial value of integrity in their relations with the people. They are no longer averse to regulation which polices the avenues of trade against unscrupulous exploiters of the credulous public. They ask of the laws only that they be based on fair play for all and written in such terms as to make their meaning perfectly clear.

Time Is a Telltale

Sooner or later time takes accurate measure of individuals, firms and corporations and does not hesitate to make known its findings, letting the chips fall where they may.

Time has been telling tales quite often recently. It has exposed a great many business practices which, mainly, are responsible for weakening the business structure of the country.

On the other hand, it has developed a much greater appreciation of business interests that always have been, and are now, the props upon which the future prosperity of the country depends.

It is the same old thing all over again—merit survives; pretense goes into the discard.

* * *

It would be foolish to claim that the Advertising industry had escaped making some serious mistakes during the past ten years. There was too much overreaching. Many institutions, adopting advertising for the first time, got away on the wrong foot because they were not wise enough to seek experienced advertising counsel. The biggest mistake made was in dissipating appropriations. Extravagance in both space and statement had an unfavorable reaction.

Both beginners in the use of Advertising and those who entered the Advertising business for the first time did not appreciate that Advertising is a serious business which must be planned wisely and have a definite purpose to prove successful. They did not know that its balance must be maintained and that this balance cannot be maintained except by those who have studied Advertising carefully and methodically for many years. Another thing that is essential is that Advertising must sustain its character. It must hold public confidence. It must not reflect on the intelligence of the public.

Now we see many concerns engaged in the Adver-

tising business bending their talents and energies toward awakening in the minds of advertisers a renewal of business conscience and commonsense practices. Our organization is glad to join in this effort.

* * *

Time has been busy with us for a quarter of a century. It has taken, we believe, accurate measure of our efforts and we are sure it approves of them because of the record of successes we have made with our clients.

Also, time has taken, in our judgment, accurate measure of the value of OUTDOOR ADVERTISING, the branch of Advertising to which we give our exclusive attention. By and large, it has sustained its character. It has kept within bounds in the matter of cost. It has justified the investment made in it by national advertisers and, so far as our clients are concerned, we have established a solid foundation on which we have been able to help to build successes for them.

We are very proud of the great Outdoor medium we represent. It has distinctive virtues—brevity of statement, striking illustration and color—and is so attractive that it compels reading—even he who runs may read it.

We have no doubt of the future of OUTDOOR ADVERTISING. It is a medium that has proved its worth. It deserves the respect of every national advertiser whose products or services can stand the acid test of public opinion.

Our particular specialty in the OUTDOOR ADVERTISING field is featuring posters which represent dignified, attractive and compelling advertisements. We know their pulling power. We know they are economical. We know they have great repetition value.

You incur no obligation by requesting any one of our group of specialists to call on you and prove how you may use OUTDOOR ADVERTISING profitably.



Outdoor Advertising Asserts—
It doesn't have to explain.

OUTDOOR ADVERTISING AGENCY OF AMERICA

INCORPORATED

Outdoor Advertising Only

NEW YORK
Graybar Bldg.

PITTSBURGH
Bessemer Bldg.

CINCINNATI
Chamber of Commerce

CHICAGO
6 N. Michigan Ave.

Government in Business

BY JAMES TRUE

Director, Washington Bureau

WASHINGTON, D. C., September 9.—Additional taxes are being frequently discussed and although the political situation makes the subject unpopular with most law-makers, there is no doubt that the next session of Congress, because of economic conditions, will not resist tampering with taxes. Observers state that unless business interests are awakened there is likelihood of great expansion of sales taxes of one kind or another. Taxes of the kind on tobacco and gasoline have been profitable and not unpopular, and the indications are that there will be an effort to build up a sales tax program.

Amendment of the Anti-Trust Laws will be another popular subject for proposed legislation. Because of its popularity with business men, the subject is also likely to be popular with Congress, as one that will not bring about political retaliation. Proposed legislation is likely to take the form of authorizing the Federal Trade Commission or the Department of Justice to approve agreements within industries providing for regulation of competition to a limited extent. Price control will be one of the principal factors, undoubtedly, and the most authoritative observers anticipate the authorization of agreements within industries not to sell goods below cost, except in the instance of seconds, discontinued numbers, old stock and the like.

Strengthening of Real Estate Values in many parts of the country is expected to follow the President's conference with a number of bankers through Mr. Meyer of the Reserve Board recently. The purpose is to encourage bankers to reestablish confidence in real estate by cleaning up through reorganization the debris of over-expansion.

Machinery as a Cause of Unemployment may be the subject of a special report to Congress which will cause rather radical legislation. The effect of displacement of men by machinery is being studied by a special committee, appointed by the Secretary of Labor, under the chairmanship of Charles A. Prosser. Last week, Dr. Prosser gave to the press a statement in which he said that the value of American industrial output in 1929 was \$56,000,000,000 more than in 1919 with 500,000 fewer workers, and that technological unemployment may result in "sweeping economic and social changes" in this country.

The First Report on the Drug Survey, "Drugstore Arrangement," by Wroe Alderson and W. H. Messerole, will soon be published. Advertising men and manufacturers will find much material of interest in this report, as it is based on an actual study of the behavior of customers in drug stores. About 50,000 retail customers were studied in eight stores.

Besides informing the retailer of many ways in which he can improve his service to the public, the report will have much to say regarding the rearrangement of stores along the lines of typical modernization, also on making the most of fixed structural features. And because of its

timeliness, since it is to appear while the investigation is still going on, there is no doubt that many manufacturers will find it of value as a part of their direct advertising campaigns. The report will sell at ten or fifteen cents a copy; but the Department of Commerce will make a liberal quantity rate to manufacturers and others.

A Guide to Selective Selling in the drug field, which will also offer many suggestions to other industries, is being compiled from a special study in the St. Louis field. The purpose is to delineate the entire drug territory of the St. Louis market. Investigators follow routes until they find that retail stores no longer buy from St. Louis wholesalers. They are also collecting a great deal of data as to how well satisfied the trade is with the market, and the reasons for purchasing. They are checking off non-drug store items, such as paint, wall paper, seeds and the like, and are reporting on the character of store arrangements. Later checks will be made with wholesalers for the purpose of finding a more dependable guide for profitable distribution.

Unpublished Data concerning many industries, and held in the files of several government departments, are a mine of invaluable information for business men who will go after it. Much of this information cannot be published; but it can be procured by individuals who arrange to interview various bureau and division chiefs. The best way to get it is to write officials in the Department of Commerce, inquiring whom it is best to see for specific information, and then take the trip to Washington.

One sales manager, whose sales expenses increased from 5 to 15 per cent in about eight years, came to Washington to find the cause, and he found it in about fifteen minutes by interviewing the proper authority. Several in another industry have discovered recently that about 25 per cent of their sales effort is wasted, due to the very thin distribution of buyers in about one-third of the territories they have been working. Incidents like these could be repeated almost endlessly, in order to show that a trip to Washington is worth while.

Grape Concentrate and the sale of wine juices for the purpose of the home manufacture of wines will continue to be a subject of political discussion, probably until September of next year. It is not probable, however, that the government will take any serious action to stop the sale of these products, or that the courts will prohibit the distribution. The prohibition unit may make gestures to satisfy organized objectors; but there are two factors that, for many months to come, will outweigh other considerations. These are, first, the support of agricultural industries which are indebted to the government for loans; and, second, the tendency of the home manufacture of wine to diminish the illegal distribution of alcoholic beverages by the criminal element.

Commodities and Activities of Aeronautics are covered by a report, "Aeronautics Trade Directory" recently published by the Aeronautics branch of the U. S. Department of Commerce. Its distribution is free.

Why Some Trade Associations Fail

(Continued from page 379)

The American Automobile Association has some very effective meetings, particularly when the club's secretaries meet at their annual conference. Those meetings are brass-tack from start to finish.

I remember on one occasion that they had a conference on the subject of membership campaigns. I had some sixty-eight questions put up to me as the presiding officer, and we could not get through before six o'clock when the room was to be taken for another meeting. I announced to the delegates that I would meet those who wanted to continue the further discussion of the matter at an eight o'clock breakfast conference the next morning. Eighty-two per cent of the members met at the breakfast conference. The subject was of vital concern to them.

There is never any trouble getting men to discuss their own business, if you go at it with understanding and enthusiasm. Trade association members are becoming fed up with traveling from 500 to 1,000 miles for the purpose of looking at a city hall or a new mausoleum in a local cemetery as a substitute for an intelligent, well-arranged program of subjects about their business as they practice it.

Practical Speakers Wanted

I find in a number of articles on the subject of trade association work that the trade association is confining itself more and more to its own people on the program—"They don't want outsiders." This is not strictly true. My observation is that they are requiring their outside speakers, however, to be more practical, definite, brass tack, in their contributions. They are not interested in oratory, canned speeches or the itinerant Chautauqua entertainer with a little bag of tricks with which to pass away an idle hour. Important trade associations are giving up a very definite part of their program to outside speakers, men who are specialists on such things as cost accounting, public relations, merchandising, advertising, sales, etc., but these men, in order to get over their contribution, must have made a sufficient study of the definite problems before the group in order that their talks may have a very specific application to the work in hand. The professional outsider is being asked more and more to take an even greater part, to act, for instance, as presiding officer at clinics on merchandising.

The most intelligent trade associa-

tion managers are realizing that there must be a constant feeding in of new ideas, new methods which produce a cross fertilization between trades and industries, a very valuable part of any convention's work.

How Kraft Merged Four Established Brands

(Continued from page 381)

was sufficiently powerful to overcome buying habits previously directed to Wright's, or Easton, or Gelfand, or Henard.

A great deal of credit for the successful introduction of Kraft Mayonnaise belongs to the local distributing organizations of Kraft products, it is felt. Their close contact with the retail trade through organized truck delivery service, the good-will and prestige which they enjoy, has been a real factor in establishing the strong position of Kraft brands in all markets.

Now Kraft is embarking on a new adventure. Mayonnaise is, though few know it, essentially an American product. It has never been known as a commercial item to any extent in such places as Europe or Australia where the habits of the buying public and their manner of thinking indicate that it might readily be accepted. Kraft has taken over the job of introducing mayonnaise abroad.

The English market has been chosen for the first point of attack. Work is under way. A virgin field. Millions of people to be sold on mayonnaise. A big job. One of the perils of such pioneering is indicated by a recent letter from Scotland. The writer said: "There seems to be something wrong with your salad cream. It curdles when we put it in our tea."

Among the items which Kraft is now marketing through its mayonnaise department are—Kraft's Free-Flowing Salad Cream, Ham-n-aise, French Dressing, Thousand Island Dressing, Taste-T-Spread and Old Fashioned Salad Dressing.

One of the discoveries that has come out of Kraft's study of the buying habits of the country is this—

"Island displays" move goods faster than shelf displays. Getting the goods somewhere "out in the middle" helps speed the turnover. People can pick up bottles and packages and "get the feel of them" more readily.

So Kraft has patented a revolving pyramid display stand for mayonnaise. Tests have shown that one of the best



\$3,000 RING found in bath tub

THIS departing guest was frantic: A \$3,000 diamond ring lost—and he couldn't wait to look for it. With agony in his voice, he called the United Manager. Three hours go by. The guest has gone, but the manager is still on the job.

A wild idea—the Manager pokes a flash-light down the bath tub drain—there's a faint sparkle—plumbers arrive, the drain gives up a \$3,000 ring.

Another true story proving that United Managers do the impossible in finding lost articles. This extra service costs the hotel money? Yes, but what of it. Extra service is taken for granted at United Hotels, just like larger rooms per dollar—and handy garage accommodations.

Extra service at these 25

UNITED HOTELS

NEW YORK CITY's only United . . . The Roosevelt
PHILADELPHIA, PA. . . . The Benjamin Franklin
SEATTLE, WASH. The Olympic
WORCESTER, MASS. The Bancroft
NEWARK, N. J. The Robert Treat
PATERTON, N. J. The Alexander Hamilton
TRENTON, N. J. The Stacy-Trent
HARRISBURG, PA. The Penn-Harris
ALBANY, N. Y. The Ten Eyck
SYRACUSE, N. Y. The Onondaga
ROCHESTER, N. Y. The Seneca
NIAGARA FALLS, N. Y. The Niagara
ERIE, PA. The Lawrence
AKRON, OHIO The Portage
FLINT, MICH. The Durant
KANSAS CITY, MO. The President
TUCSON, ARIZ. El Conquistador
SAN FRANCISCO, CAL. The St. Francis
SHREVEPORT, LA. The Washington-Youree
NEW ORLEANS, LA. The Roosevelt
NEW ORLEANS, LA. The Bienville
TORONTO, ONT. The King Edward
NIAGARA FALLS, ONT. The Clifton
WINDSOR, ONT. The Prince Edward
KINGSTON, JAMAICA, B.W.I. The Constant Spring



Advertisers
using the Star-Tele-
gram are doing a job
in Fort Worth and West
Texas . . . your message
will be in good company . . .

For Results Use the

FORT WORTH STAR-TELEGRAM

MORNING

EVENING

SUNDAY

AMON G. CARTER
President and Publisher

A. L. SHUMAN
Vice-President and Adm. Director

LARGEST
CIRCULATION
IN TEXAS



FAIRCHILD MERCHANDISE COSTUME STYLISTS

CREATING a modern package calls for an experienced knowledge of package styling in all its varied phases. Fairchild has a record of 35 years as outstanding merchandise costume stylists. An extensive capacity for exhaustive research is backed by an efficient art staff devoting all its talent to the creation of new or redesigning of old packages.

Many leading manufacturers have used Fairchild service with a resulting strong stimulus in sales. What has been done for others can be accomplished for you. Write E. E. Fairchild Corp., Studio J, 200 Fifth Avenue, New York City.



E. E. FAIRCHILD

CORPORATION
ROCHESTER NEW YORK

Merchandise Costume Stylists

"selling spots" is the fruit and vegetable department. The stand is a very simple device but Kraft men worked on it eight months before putting it out. It is expected that 25,000 will be in use by the end of the year.

Other "open selling" displays have been built. One is a table and the second a "hexagon display stand." Both are made of fibre.



These most valuable booklets of the week will be sent free to executive readers who make a separate request for each one on their business letterheads. Booklets will be mailed by the companies which publish them.

Address SALES MANAGEMENT, Inc., Reader's Service Bureau, 420 Lexington Avenue, New York.

Markets and Media

Let's Face the Facts and Go Back to Work. We don't usually go in for "inspirational" literature, but this is different. If you've got the guts (intestinal fortitude, if you prefer) to face nine pages of grim economic facts which we're told are pretty likely to persist until our youngsters are in college, we promise you that the last couple of pages will buck you up like a cold shower. This booklet by James Dalton, industrial editor of *Motor*, will do you a lot of good; it did us a lot of good. But better than that, it will make fire-eaters out of your sloppiest salesmen, if they're worth their salt.

The Problem of Post-Depression, in which *Liberty* vigorously thrashes out the question of advertising costs, tells the manufacturer how much he has a right to expect for his money and where he can get maximum value. Comparative charts show you how much circulation your post-depression advertising \$50,000 will buy in the monthly, women's and weekly fields (individual magazine names are mentioned); also how much the same amount will buy among the thirteen major magazines in various color pages; how many families with incomes of \$2,000 and over that sum buys in each of the above fields; how much circulation in cities over 25,000 population the sum buys in each field, and a recapitulation showing the cost of eliminating *Liberty*.

A Constructive Analysis of Sales Opportunities in Oklahoma City. The Oklahoma Publishing Company, publishers of *Daily Oklahoman* and *Oklahoma City Times*, is one of the few newspapers which show the good sense to make use of the figures gotten out by the United States Government Census Bureau in the "Census of Retail Distribution." The fact alone that the Oklahoma Publishing Company uses figures compiled by such a thoroughly disinterested source as the government is the advertiser's guarantee of their confidence in their own market. Such data as population, employment, incomes, comparative analysis of Oklahoma City per capita retail sales, etc., is given.

Media

On December 1 *Time* and *Fortune* will pick up their inkpots and other publishing appurtenances and set themselves up on the fiftieth and fifty-first floors of the Chrysler Tower for ten years. It's one of the largest and most important office building leases swung in the Grand Central district this year.

* * *

Building operations on a new Wall Street Journal Building have been initiated. The building will be on the corner of Broad and New Streets, New York City.

* * *

Antescript: The *Extension Magazine* is the official organ of the Catholic Church Extension Society. It estimates that it influences \$10,000,000,000 worth of annual purchases on the part of Extension lay readers, and \$1,250,000,000 more through the institutional market. The following excerpts from *Extension Magazine's* booklet, "A Lift to Market," are quoted as some of the reasons why this is so:

"More than half of the Catholic churches built in the United States since 1908 have been partially paid for by the Catholic Church Extension Society.

"The source of the society's funds is that vast Catholic population of the United States—numbering 22,000,000 souls,—more than twice as great as the entire population of Canada.

"Its plan is this—individuals give, the society in turn gives back in concentrated form to the bishops and priests.

"In the United States there are an estimated 5,000,000 Catholic families—5,000,000 household establishments with standards and earning power above the average, with requirements more diversified because each family is usually from 20 per cent to 40 per cent larger than the average non-Catholic family."

* * *

When, recently, L. B. Tobin, for many years president and general manager of the Lincoln Star, became the publisher of the Omaha Bee-News, a Hearst newspaper, one of the first things he did was to pluck Fred I. Archibald off the staff of the Omaha World-Herald and make him a senior executive and advertising director of the Bee-News. Mr. Tobin knew what he wanted for he was associated with Archibald on the Lincoln Star for fourteen years.

The World-Herald has put M. B. McNab, assistant business manager, in charge of their advertising department.

* * *

Change your phone number record for *Parents' Magazine* to Caledonia 5-6810—and their address to 114 East Thirty-second Street, New York. We haven't called on *Parents'* in the new shop yet, but we're told they've got a much more spacious layout. If your ad is going into the December issue of *Parents'*, got to get it in by October 10. They've pushed the closing date forward.

* * *

The George A. McDevitt Company, New York, Philadelphia, Chicago and Detroit, has been appointed national advertising representative of the Chicago Daily News.

* * *

President Blood of the Norge Corporation made some interesting comments this week:

on "shopping in the newspapers." He says that the electric refrigerator market is only 15 per cent saturated and that there are approximately 15,600,000 prospects who have "mentally purchased" but have not actually bought. "These potential buyers are shopping in the newspapers, more than they are going to the store, to make their initial comparative selections. Newspaper advertising is, therefore, of outstanding value and the greatest part of the Norge 1932 appropriation will be invested in that form of advertising." During this year Norge quadrupled its dealer organization, climbed from twenty-third to fourth place in the industry, increased sales by 512 per cent in the first eight months and counteracted the normal July-August slump common to the industry. The latter achievement was accomplished through the aid of an intensive sales contest.

* * *

The distribution, marketing and production of ice cream will be treated in a new pocket-size monthly called the *Modern Ice Cream Industry*. The first issue will appear in October.

* * *

Now what do you think of this? All the toothpastes "on the air" are crowding all the toothpastes "not on the air" out of 20 per cent of all radio homes. . . . Three radio-advertised cigarettes have won a million-and-a-half radio-owners away from thirteen non-radio advertised brands.

A five-cent cigar has tripled its share of the cigar-market in radio homes compared to non-radio homes. . . .

A famous university's research authority conducted a test in ten cities and these were a few of its findings. The Columbia Broadcasting System will tell you the rest of the story, if you're interested in whether radio sells goods or not.

* * *

The *Telegram-Herald* and the *Times-Journal* of Dubuque, Iowa, have put out a very attractive folder on the retail sales volume in the Dubuque territory. It is surprising that comparatively few newspapers are capitalizing on the information contained in the first Census of Retail Sales ever made in this country. The government figures quoted in the Dubuque folder show retail sales of \$150,000,000. Copies may be secured from the Franklin P. Alcorn Company or direct from the publishers.

Du Pont Aids Remington in Winchester Deal

WILMINGTON—E. I. du Pont de Nemours & Company is ready to furnish \$30,000,000 to aid the Remington Arms Company in acquiring control of Winchester Repeating Arms Company, now in the hands of receivers, an official of du Pont announced this week. The du Pont company would then obtain a minority interest in both companies.

Acquisition of Winchester would bring Remington's assets from about \$29,500,000 to about \$60,000,000. The two companies are the largest makers of firearms in the country. An affiliation with the enlarged Remington company would provide du Pont with an important outlet for its powder.

Of the 82 counties in Mississippi, Harrison County is

7th in population (SECOND in white population).

6th in wages paid.

8th in number of wage earners.

7th in value of products.

8th in number of families.

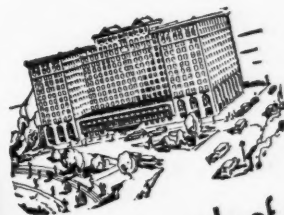
FIRST

in conscientious and reliable daily newspaper service.

THE DAILY HERALD

Herald Building
Biloxi (Harrison County) Miss.

Herald Building
Gulfport (Harrison County) Miss



The Crossroads of a Nation

THE DRAKE is admittedly one of the great hotels of the world . . . the stopping place of seasoned travelers. Rooms are spacious and smartly elegant . . . continental in atmosphere. Available, also, is an experienced Travel Bureau . . . to relieve you of every travel detail. Rates begin at \$4 a day. Permanent Suites at Special Discounts.

THE DRAKE
HOTEL, CHICAGO
Under Blackstone Management

"AN ADDRESS OF DISTINCTION"



+++ PHILCO is producing 7,500 radio sets a day—more than double the production of a year ago at this time—and employment at their plant has increased from 4,000 to 5,200.

+++ BANK CLEARINGS last week, as reported to Bradstreet's, show a gain of 10.6 per cent over the previous week and a smaller decline from a year ago than for some time past. The following cities show a gain over the 1930 week: Philadelphia, Cincinnati, Newark, Washington, Providence and Rochester.

+++ IMPROVEMENT IN THE TEXTILE FIELD is shown by the textile-financing done by Commercial Factors Corporation. The increase for the year to date over last year is 24.6 per cent.

+++ SHIPMENTS OF AUBURN AND CORD CARS for August total 1,803 as compared with 609 last year. For the first eight months of the year 32,045 cars as against 13,693 for the entire year of 1930.

+++ EXPORTS OF STUDEBAKER-PIERCE-ARROW CORPORATION in August were 55 per cent ahead of a year ago, representing the fifth consecutive gain for shipments abroad.

+++ SALES OF GENERAL MOTORS CORPORATION to consumers in August ran ahead of shipments to dealers. This was the third consecutive month to reflect a continued reduction in retail stocks.

+++ LOADING OF REVENUE FREIGHT for the week ending August 29 shows an increase of 15,053 cars above the previous week.

+++ MANY CHAIN STORE SYSTEMS REPORT HANDSOME GAINS in August sales over last year; such as J. J. Newberry 5.3 per cent, G. C. Murphy 11.4 per cent, Bickford's 26 per cent, Dominion Stores 7.8 per cent, Kaybee 20.7 per cent, People's Drug Store 1.3 per cent.

+++ THE "RADIO CITY" PROJECT in New York will give employment of 10,000,000 days of eight hours each to the workers who produce, transport and erect the ten building units.

+++ AUGUST SHIPMENTS OF NORGE REFRIGERATORS were 473 per cent greater than the August shipments of last year. And for the first eight months their sales show an increase of 512 per cent.

+++ JULY NET INCOME OF CHICAGO, ROCK ISLAND & PACIFIC railroad gained 21.6 per cent over the same month last year.

PHOTOSTATS
COMMERCE
PHOTO-PRINT CORP.
42 Broadway 33 West 42nd St. 80 Maiden Lane
Tel. LONGacre 8645
PHOTOGRAPHS

+++ RETAIL SALES OF ALL AUTOMOBILES IN AUGUST were approximately 180,000 while the total production was only 157,000, indicating a shrinkage in retail stocks of 23,000 units for the month.

+++ BANK DEBITS to individual accounts as reported to the Federal Reserve Board for the week ending September 2 show an increase of 9 per cent over the total for the preceding week.

Standard Oils May Pool Funds to Sell One Brand

(Continued from page 391)

Perhaps these changes represent the beginning of the end of the old group. Perhaps it will reappear not as one but as two major companies. Or perhaps Socony-Vacuum has been created merely to give the effect of nation-wide competition to the larger concern.

The independent competition, however, is still real enough. The Mellons' Gulf Company of Pittsburgh added \$75,000,000 to its assets last year. Sinclair-Tidewater Associated, etc., would make a good-sized rival. Henry L. Doherty's Cities Service Company has just acquired control of Richfield, Los Angeles, to extend its marketing facilities almost nationally. Shell Union is not yet defeated. Morgan is expected to use Conoco as the nucleus of a larger independent group.

They believe in the oil industry—at least the sponsors of the larger companies believe—that nine or seven companies will be all that will survive the bitter competition of the next few years. The seven mentioned are: New Jersey-Indiana-California; Socony-Vacuum, Inc.; Sinclair, etc.; Continental, etc.; Gulf; Texas, and Shell.

If the list were increased to nine, Cities Service and the Dawes' Pure Oil Company, Chicago, would be added. In the whole situation, the position of Cities Service (which also operates electric and gas utilities throughout the middlewest and has total assets of \$1,200,000,000) is anybody's guess. Ignoring the bankers, Doherty has developed his company along his own lines.

It is pointed out as a coincidence that Pure Oil happens to be most strong in the central and southeastern territories, where Socony-Vacuum is weakest. The marketing map of the one would fit nicely into the map of the other.

Whatever the strength and the standings of the companies that survive, the leaders of the oil industry believe that they must work together to rebuild their declining markets and fortunes. They believe that in these programs they have a right to expect a fuller measure of governmental approval and popular support.

Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display
Cash Basis Only. Remittance Must Accompany Order

POSITIONS WANTED

ADVERTISING MAN, 37, MARRIED; 5 years agency copy chief; 2 years retail store advertising manager; trade paper experience; free lance sales promotion. Plan and handle all inside work on direct-mail, newspaper and magazine campaigns. Low salary. Wilson, 49 Carleton Street, East Orange, N. J.

CATALOG SALESMAN—COMPILER—LAY-out man, 10 years' Automotive Equipment, Hardware and Mill Supply jobbing experience. Twelve years catalog department manager for large printer well known among catalog buyers everywhere. Address Box I, SALES MANAGEMENT, 333 N. Michigan Avenue, Chicago, Ill.

SALES PROMOTION

\$50 to \$50,000 DAILY SALES SECURED FROM our clients. This distributor took on a new specialty, retailing at \$60. His first purchase \$12. We submitted a sales program capable of national expansion. Within four years his sales were nationwide, running to \$100,000 monthly. 35 years salesmanship-in-print experience back of our campaigns. Submit sales problems for free diagnosis.

10 years Sales Promotion Manager, Larkin Co. James C. Johnson, 119 Woodbridge Ave., Buffalo, N. Y.

EXECUTIVES WANTED

IF YOU ARE OPEN TO OVERTURES FOR new connection and qualified for a salary between \$2,500 and \$25,000, your response to this announcement is invited. The undersigned provides a thoroughly organized service of recognized standing and reputation through which preliminaries are negotiated confidentially for positions of the calibre indicated. The procedure is individualized to each client's personal requirements, your identity covered and present position protected. Established twenty-one years. Send only name and address for details. R. W. Bixby, Inc., 118 Downtown Building, Buffalo, N. Y.

OPPORTUNITY FOR CAPABLE SALES REPRESENTATIVE who can invest up to \$10,000.00 in an established Liquid Food Manufacturing Corporation, manufacturing a Quality Product which is in great demand and which will show a good profit to the Manufacturer, Distributor and Retailer. The product is sold by Druggists, Grocers, Bakeries, Malt and Hop Stores and has the unqualified approval of outstanding distributors. Address Box 317, SALES MANAGEMENT, 420 Lexington Ave., New York, N. Y.

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